

The Mining Journal

ANALYSIS OF RAND AND O.F.S. QUARTERLIES

HOW STRONG IS THE FEAR OF \$ WEAKNESS ?

DURING the last two months of 1958, the prices of most of the new mines in the Kaffir market recorded further solid advances, as did those of the finance houses. Even the medium and short life mines recorded some advances, but on a more modest scale.

During the first half of January, however, prices slipped back a little bit, although this now seems to have been largely a technical readjustment, and as we write (January 26), the market now stands near levels ruling after quotations went ex dividend on December 31, with some of the high-grade O.F.S. mines showing a further burst of strength. Indeed, F.S. Geduld and St. Helena continue to hit new peaks while Western Holdings has also recorded a further significant advance.

"Eventual Earnings" Becoming Clearer—

Now that Winkelhaak has produced its first milling results, and is treating about 70,000 tons of ore per month, there are only four Kaffir mines which can be properly regarded as still at the development stage. These are Loraine, which must for the moment be regarded as back in this category by virtue of its merger with Riebeeck; F.S. Saaiplaas, which it is hoped to bring into production by about the middle of 1960; Zandpan, probably in production by 1964; and finally, Western Deep Levels, which may be working the Ventersdorp Contact Reef at about 6,000 ft. by 1962 and the Carbon Leader from about 7,500 ft. on down by 1964. Aside from these four mines, all the other new mines (broadly those floated since the end of World War II) are fast approaching a stage at which the major uncertainties regarding their eventual level of earnings have been, or at any rate soon will be, resolved.

—But Not the Yield Bases

The big uncertainty in assessing market prices today is not the eventual earnings per share, but rather the yield basis which the market will adopt in evaluating these earnings. At present, the market seems prepared to accept 8 per cent or less on a long-life mine of good grade, although where uranium will constitute more than about 10 per cent of eventual earnings after tax, the yield requirement is likely to be higher. Nevertheless, some responsible authorities are already predicting that we shall see the newer high-graders down to a 6 per cent basis, although the likelihood of a gold price rise or dollar devaluation would need to be much stronger than now to justify this

—unless, of course, yields on industrials are going to sink much further yet!

Indeed, the changing yield basis which the market is apparently coming to accept is a highly significant indicator. Thus it is only necessary for the market to start thinking in terms of a 7 per cent, instead of an 8 per cent, yield on the new mines to justify a 14 per cent increase in values, or to be thinking in terms of 6 per cent instead of 8 per cent to justify a 33½ per cent increase.

At the moment, it can still be said that few if any of the newer mines are standing at less than 8 per cent on the basis

over the past two years has been the small amount of buying by the private British investor.

Kaffirs, or indeed any gold shares, are likely nowadays to be bought on any one of at least four distinct considerations:

1. Capital gain only.
2. Capital gain plus income.
3. Income with capital gain as a quite subsidiary consideration.
4. Income (not necessarily a high yield) coupled with capital loss as a capital gains offset. Interest in this category lies mainly with investors in the United States and certain Continental countries.

Even this analysis is an oversimplification, as in every instance except possibly the third the choice of share will be further influenced, so far as British investors are concerned, by the D.T.R. position in individual cases. Moreover, whether he normally buys for capital gain or income, the investor may today be prompted primarily by hedging considerations. This might, for example, result in an investor who normally buys for income deciding nevertheless to buy shares in some of the marginal producers likely to benefit most dramatically from a gold price rise.

It is obvious that in a market where shares are being bought for such complex motives, the yield basis may be little more than a notional index. The fact remains, however, that if the market believes that a lower yield basis is not likely to result in a wave of profit taking, there will, psychologically, be that much more readiness to accept it, if it comes.

Gold and Dollar Outlook Paramount

By far the most important single factor likely to reconcile the market to a lower yield basis continues to be the possibilities of a gold and/or a dollar price adjustment. A rise in the world price of gold and the devaluation of the dollar in terms of other currencies are two quite separate possibilities, both of which seems to have been exerting more influence in Johannesburg and New York in recent months than in London.

The plain fact is that the answer to the question "When?" remains as unpredictable as ever. If economic history is any guide, both gold and dollar prices are certain to move sooner or later, but there is still absolutely nothing in the official Washington attitude to suggest that such developments are at all imminent. On the other hand, unless Washington mismanages things very badly,

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of the eventual earnings estimates given in this Supplement, and it is, of course, normal policy for South African mines to declare dividends practically up to the total of available earnings once the maximum scheduled milling rate is being sustained.

Buying Motives Now More Complex

The fact is, that in seeking to evaluate Kaffirs purely on a yield basis, we are oversimplifying the problem. The Kaffir market today is far more stratified than it used to be, in the sense that much more complex factors enter into the evaluation of the attractiveness of a particular share for a particular buyer. Moreover, the composition of the market has been changing, with the institutional investor playing a much larger part. Indeed, so far as Britain is concerned, a feature of the sharp upturn in Kaffirs

FINANCIAL RESULTS

(Cumulative and comparative "this" financial year to December 31st, 1958 with "last.")

GROUP	COMPANY	ORDINARY SHARES IN ISSUE	Months since Year end	PROFIT AND LOSS RESULTS £(000)								Current financial year's capital expenditure (Gold) £(000)	EARNINGS, DIVIDENDS & YIELD									
				Working Profit		Uranium Profit After Loan Repayment		Taxation and/or Mining Lease		Net Profit After Tax			Earned in current year to date	Paid						Yield on Price 23/1/59 (0/0)		
				This	Last	This	Last	This	Last	This	Last			1957		1958						
														s. d.	s. d.	s. d.	s. d.	s. d.	s. d.			
Gold Fields	Doornfontein	9,828,000 (10/-)	6	1153.2	1099.4	70.2	83.2	—	—	1234.4	1192.0	372.9	2/6	6	1	0	1	0	1	6	8.0	
	Libanon	7,937,300 (10/-)	6	326.5	319.5	—	—	—	—	333.9	326.6	220.2	10d.	3½	3½	3½	3½	3½	6.2	—		
	Lulpaards Vlei	4,969,105 (2/-)	6	32.9	5.9	361.0	363.0	178.5	152.1	219.9	221.3	15.8	11d.	1	0	1	1	1	1	0	21.4	
	Rietfontein C.	1,122,252 (4/-)	12	143.3	193.3	—	—	64.0	80.6	82.6	116.2	—	1/6	1	1	1	1	0½	10½	—		
	Robinson	2,000,000 (6/-)	12	7.0	116.4	—	—	—	—	28.2	155.5	0.3	3d.	6	9	1	6½	1	6½	—		
	Simmer	6,750,000 (2/-)	12	163.8	225.3	—	—	14.0	23.7	175.0	240.4	22.1	6d.	5	5	6½	6½	—	—	—		
	Sub Nigel	1,771,875 (10/-)	6	151.6	170.8	—	—	47.5	63.6	109.4	120.9	8.5	1/3	1	9	1	6	1	6	1	6½	
	Venterspost	4,900,000 (10/-)	6	353.2	341.7	—	—	120.0	76.7	241.8	273.7	73.4	1/-	10½	10½	10½	10½	10½	10.8	—		
	Vlakfontein	6,000,000 (10/-)	12	1019.2	1020.8	—	—	471.4	462.3	558.5	569.4	15.0	1/10	10	11	11	1	0	11.0	—		
	Vogels	5,028,571 (10/-)	12	529.6	636.5	348.0	347.0	409.6	394.1	481.9	594.7	Cr. 0.1	1/11	1	4	1	2	1	0	1	0	22.9
W. Drie	7,041,080 (10/-)	6	3769.2	3551.5	124.8	107.8	1557.7	1346.9	2361.0	2333.0	871.3	6/8	3	3	3	6	3	9	4	0	6.2	
Anglo American	Brakpan	4,600,000 (5/-)	12	154.0	181.8	—	—	16.1	19.7	147.6	175.6	3.6	8d.	4½	4½	4½	4½	6	16.7	—		
	Dagga	7,000,000 (5/-)	12	3063.5	3248.9	1125.8	1166.4	2608.0	2661.9	1611.5	1788.3	43.9	4/7	2	6	2	9	2	6	2	6	16.4
	East Dagga	3,730,000 (10/-)	12	343.3	417.2	—	—	131.4	165.7	221.5	262.5	2.2	1/2	9	9	7½	7½	7½	14.3	—		
	F.S. Geduld	10,000,000 (5/-)	3	1200.6	923.0	—	—	—	—	1200.6	923.0	188.2	2/5	—	1	0	2	0	3	0	4.0	
	P. Brand	14,040,000 (5/-)	3	1809.1	1251.9	100.0	89.2	794.4	—	1114.7	1341.1	410.9	1/7	2	6	2	6	2	6	7.0	—	
	P. Steyn	14,040,000 (5/-)	3	535.2	570.4	120.4	110.8	—	—	655.6	681.2	108.2	11d.	1	3	1	6	1	3	1	3	7.6
	S.A. Lands	2,475,000 (3/6)	12	654.8	738.2	—	—	149.3	284.0	517.3	466.6	248.9	4/2	1	6	1	6	1	6	1	6	13.4
	Springs	10,110,000 (5/-)	12	115.5	95.2	—	—	21.6	20.8	102.8	84.9	—	2d.	—	—	4½	—	—	4½	17.6	—	
	Vaal Reefs	10,500,000 (5/-)	12	2283.3	1993.2	1317.2	1085.3	—	—	3620.2	3094.5	1158.4	6/11	1	3	2	3	1	6	2	0	9.1
	Welkom	12,250,000 (5/-)	3	232.1	189.8	112.7	99.1	—	—	344.8	288.9	197.0	7d.	—	—	3	3	3	3	2.5	—	
W. Holdings	7,496,376 (5/-)	3	1303.3	1095.5	—	—	—	—	1303.3	1095.5	183.6	3/6	2	0	3	0	3	0	4	0	5.6	
W. Reefs	7,000,000 (5/-)	12	801.8	817.6	1173.2	1130.2	1057.4	947.6	934.2	1018.5	133.9	2/8	1	3	1	3	1	3	1	3	8.2	
Central Mining	Blyvoor	24,000,000 (2/6)	6	2982.3	2658.1	599.3	555.9	2134.1	1818.6	1538.4	1465.1	63.4	1/3	1	0	1	0	1	0	1	0	8.7
	City Deep	2,026,832 (£1)	12	122.1	175.5	—	—	6.4	5.4	179.8	262.9	56.5	1/9	6	6	6	6	7½	7.0	—		
	Cons. M.R.	1,247,602 (£1)	6	88.5	57.4	—	—	4.8	4.4	107.6	67.8	—	1/9	1	3	1	3	1	6	15.7	—	
	Crown	1,886,125 (10/-)	12	176.3	46.3	—	—	21.6	23.4	276.0	196.0	8.7	2/11	1	0	1	3	1	6	1	9	12.4
	Durban Deep	2,325,000 (10/-)	12	617.7	618.4	—	—	119.6	132.2	576.5	572.7	178.0	5/-	1	6	1	6	1	6	1	6	9.0
	E. Rand Prop.	3,960,000 (10/-)	12	1696.9	1802.8	—	—	348.2	485.3	1462.5	1454.5	997.3	7/5	2	3	2	3	2	0	2	0	9.1
	Harmony	18,000,000 (5/-)	6	915.2	1001.5	598.3	432.7	—	0.3	1477.7	1447.5	1005.3	1/8	6	9	1	0	1	0	5.0	—	
	Modder E.	930,805 (£1)	6	12.4	18.2	—	—	3.5	6.0	19.6	24.3	—	4d.	1	0	9	9	6	8.4	—		
	Rose Deep	700,000 (9/6)	12	9.9	7.3	—	—	9.3	3.2	76.7	58.2	Cr. 22.5	2/2	—	—	—	—	—	0.0	—		
	Transvaal G.M.E.	952,500 (3d.)	12	31.5	31.1	—	—	—	—	40.7	21.9	Cr. 12.7	10d.	—	—	—	—	—	0.0	—		
J.C.I.	E. Champ d'Or	2,079,900 (2/6)	12	73.2	72.4	(a)	(a)	24.9	21.3	48.5	51.5	—	6d.	3	4	3	3	3	22.2	—		
	Freddies Cons.	16,359,913 (£1)	12	L122.0	159.7	(a)	(a)	—	—	L172.6	106.3	52.0	—	—	—	—	—	—	0.0	—		
	Govt. G.M.A.	5,600,000 (4/-)	12	2.3	L57.0	—	—	57.5	30.5	237.5	197.3	—	10d.	—	—	6½	6½	—	—	—		
	Randfontein	4,063,553 (£1)	12	1383.3	1311.5	(a)	(a)	516.0	354.0	877.1	972.3	17.2	4/4	2	3	2	3	2	0	2	3	16.0
Union Corporation	E. Geduld	9,000,000 (4/-)	12	3261.9	3488.3	—	—	1748.1	1863.6	1662.4	1770.4	1.2	3/8	2	0	2	0	1	9	1	11	15.1
	Geduld Prop.	1,460,857 (£1)	12	143.2	262.4	—	—	12.4	59.3	829.0	954.3	—	11/4	6	3	6	5	0	6	3	17.3	
	Grootvlei	11,438,816 (5/-)	12	2553.8	2641.4	—	—	1306.4	1362.2	1326.7	1350.4	—	2/4	1	1	1	3	1	1	1	3	14.0
	Marievale	4,500,000 (10/-)	12	1050.7	1007.0	—	—	460.5	468.9	619.1	567.6	339.4	2/9	1	0	1	3	1	1	1	5	10.2
	St. Helena	9,625,000 (10/-)	12	2300.3	2232.8	—	—	—	—	2292.8	2218.9	1249.6	4/9	9	10	1	0	1	1	4.0	—	
	Van Dyk	5,532,000 (7/9)	12	290.9	174.8	—	—	—	—	324.2	201.6	—	1/2	—	1	0½	1	3½	—	—	—	
	Winkelhaak	12,000,000 (10/-)	12	16.1	—	—	—	—	—	9.3	—	3176.1	—	—	—	—	—	—	—	—	0.0	
General Mining	Buffelsfontein	11,000,000 (10/-)	6	1114.4	1063.9	833.7	570.8	—	—	1959.6	1643.4	616.2	3/7	—	1	6	1	6	1	6	6.4	—
	Ellaton	787,500 (5/-)	6	193.2	165.6	97.0	82.7	—	—	292.6	250.7	Cr. 0.9	7/5	—	—	—	—	—	—	—	—	
	Stillfontein	13,062,920 (5/-)	12	4744.3	3719.8	636.8	558.6	—	—	5414.0	4306.5	3355.6	8/3	1	0	1	10½	1	10½	1	10½	8.1
	S. Roodepoort	1,420,662 (10/-)	6	137.8	144.6	—	—	58.7	61.0	91.7	92.4	2.9	1/3	1	1½	1	1½	1	1½	1	1½	—
	W. Rand Cons.	4,250,000 (10/-)	12	2570.2	2520.4	(a)	(a)	1184.0	1051.0	1357.1	1338.5	57.2	4/9(c)	2	0	2	3	2	0	2	3	16.0
Anglo-Tvaal	Harthebeestfontein	9,000,000 (10/-)	6	1886.8	1878.8	1375.8	1200.6	—	—	3289.5	3069.9	1174.3	7/4	2	6	3	0	3	6	3	6	11.3
	Lorraine	16,453,372 (10/-)	3	L57.2	L38.2	65.4	54.7	—	—	8.5	16.5	428.5	—	—	—	—	—	—	—	—	0.0	—
	Rand Leases	3,600,000 (10/-)	6	56.8	36.9	—	—	4.2	2.5	74.9	66.8	8.6	5d.	1½	3	1½	1½	9½	—	—	—	
	Village Main Reef	6,068,457 (1/3)	6	2.4	28.0	—	—	—	7.4	5.5	24.4	—	—	1	1	2	—	—	—	—	—	
	Virginia	13,278,952 (5/-)	12	435.9	757.6	1269.4	1587.0	—	—	1510.1	2161.6	1229.3	2/3	—	—	—	—	—	—	—	0.0	—
Other	N. Kleinfontein	1,735,000 (£1)	12	L19.1	L41.9	—	—	—	—	L12.0	L33.5	—	—	—	—	—	—	—	—	—	0.0	—
	Spaarwater	7,974,968 (5/-)	12	8.4	4.5	—	—	—	—	10.5	6.4	—	—	—	—	—	—	—	—	—	0.0	—
	Wit Nigel	7,974,720 (2/6)	6	34.3	38.2	—	—	—	—	41.3	45.3	3.7	1d.	—	—	1½	—	—	1½	—	8.4	—

(a) Included under working profit. (b) And deferred shares. (c) After deferred shares participation. † Capital Repayment.

DEVELOPMENT AND MILLING RESULTS

(Cumulative and comparative "this" financial year to December 31st, 1958 with "last.")

GROUP	COMPANY	Months since year end	TOTAL ORE RESERVES		DEVELOPMENT RESULTS										MILL THROUGHPUT											
					Payability						Tonnage				Gold Recovered						Working Profit					
					Fi. Sampled (000)		%		Av. Value (In.-dwt.)		Milled (000)		Cost per Ton		Ounces (000)		Grade (dwt.perton)		Cost per ounce		Per ton		Per oz.			
			Tons (000)	Value (dwt.)	Inch dwt.	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last			
Gold Fields	D'fontein	6	2,507	7.4	306	10.4	12.9	88	90	345	430	525	512	60/8	60/7	219.2	211.6	8.4	8.3	145/3	146/5	43/11	42/11	105/3	103/11	
	Libanon	6	2,450	4.8	234	10.9	11.6	66	66	331	263	588	616	48/-	45/7	138.7	137.8	4.7	4.5	203/5	204/5	11/1	10/4	47/1	46/4	
	Luipaards Vlei	6	1,424	4.5	179	7.5	10.5	65	70	261	237	420	440	41/7	44/4	72.3	78.4	3.4	3.6	241/8	248/11	1/7	3d.	9/1	1/6	
	Rietfontein C.	12	137	5.2	267	7.1	6.1	51	48	462	418	246	291	47/8	45/-	58.4	67.8	4.7	4.7	201/11	193/4	11/8	13/3	49/1	57/-	
	Robinson	12	982	4.6	236	6.5	7.5	38	39	321	341	862	909	52/8	49/-	182.1	187.2	4.2	4.1	249/3	237/10	2d.	2/7	9d.	12/5	
	Simmer	12	751	4.2	187	22.2	24.1	40	40	270	295	1,060	1,151	44/6	42/7	201.8	213.9	3.8	3.7	233/7	229/2	3/1	3/11	16/3	21/1	
	Sub Nigel	6	717	7.9	299	10.3	11.8	26	24	331	323	399	400	52/6	54/8	95.8	101.0	4.8	5.1	218/10	216/4	7/7	8/7	31/8	33/10	
	Venterspost	6	2,157	5.6	311	24.2	20.0	64	60	464	424	769	735	53/-	51/-	191.0	177.0	5.0	4.8	213/6	211/11	9/2	9/3	37/-	38/8	
	Vlakfontein	12	1,596	7.9	327	26.6	29.6	38	47	335	383	596	593	54/1	54/10	210.7	211.9	7.1	7.1	152/11	153/6	34/2	34/5	96/9	96/4	
	Vogels	12	1,918	4.8	200	34.4	40.5	26	28	267	272	1,141	1,185	46/9	47/3	254.8	273.6	4.5	4.6	209/3	204/8	9/3	10/9	41/7	46/6	
W. Drie	6	2,546	16.8	717	10.7	8.2	96	100	654	663	482	450	83/-	82/3	460.5	431.5	19.1	19.2	86/10	85/9	156/5	157/10	163/8	164/8		
Anglo American	Brakpan	12	1,940	4.8	256	25.2	37.2	23	28	729	729	1,492	1,354	31/4	38/6	198.6	220.8	2.7	3.3	235/7	236/4	2/1	2/6	15/6	15/2	
	Dagga	12	9,786	5.2	223	27.1	25.8	41	23	414	329	2,785	2,718	30/-	30/9	577.2	591.4	4.1	4.4	144/8	141/7	22/-	23/11	106/2	109/10	
	E. Dagga	12	4,597	4.5	165	20.0	24.4	30	38	351	498	1,096	1,128	35/2	34/3	181.5	187.0	3.3	3.3	212/5	206/10	6/3	7/4	37/10	44/8	
	F.S. Geduld	3	2,435	19.8	912	2.6	3.9	91	93	1,369	1,153	222	190	77/3	79/4	164.3	134.3	14.8	14.1	104/2	112/2	108/5	97/2	146/2	112/3	
	P. Brand	3	3,588	17.7	918	1.7	3.7	80	92	1,067	1,168	290	208	63/-	67/9	217.3	156.6	15.0	15.1	84/1	89/9	124/9	120/8	166/6	159/10	
	P. Steyn	3	4,344	8.3	373	3.1	4.5	92	67	483	496	272	277	58/4	54/-	106.1	105.6	7.8	7.6	149/5	141/8	39/5	41/2	100/11	108/-	
	S.A. Lands	12	3,518	5.7	255	14.4	16.8	43	37	446	491	1,079	1,072	39/7	38/4	222.4	224.6	4.1	4.2	191/11	182/11	12/2	13/9	58/11	65/9	
	Springs	12	1,510	4.4	184	11.6	8.5	32	35	481	438	1,500	1,510	27/5	26/8	173.8	167.3	2.3	2.2	236/11	240/2	1/6	1/3	13/3	11/4	
	Vaal Reefs	12	2,281	9.4	376	32.0	24.5	75	76	528	537	883	751	61/6	58/4	399.0	333.3	9.0	8.9	136/1	131/4	51/9	53/1	114/5	119/8	
	Welkom	3	3,632	7.1	321	5.5	3.2	66	75	383	470	270	242	58/3	59/1	81.4	72.4	6.0	6.0	193/2	197/3	17/2	15/9	57/-	52/5	
W. Holdings	3	4,330	15.0	705	3.6	3.7	90	92	951	1,169	296	293	58/3	53/3	173.1	150.3	11.7	10.3	99/7	103/9	88/1	74/9	150/7	145/9		
W. Reefs	12	4,306	6.3	280	28.1	40.3	53	48	447	500	1,333	1,440	48/1	44/5	319.4	319.4	4.8	4.4	200/7	200/3	12/-	11/4	50/2	51/2		
Central Mining	Blyvoor	6	6,117	13.7	604	5.7	8.2	91	89	792	679	625	619	69/1	63/11	410.5	370.1	13.1	12.0	105/2	106/11	95/5	85/10	145/4	143/8	
	City Deep	12	2,741	6.0	245	14.9	23.2	41	31	314	295	1,511	1,780	48/-	46/11	300.1	348.0	4.0	3.9	241/8	240/2	1/7	1/11	8/2	10/1	
	Cons. M.R.	6	1,536	4.9	219	8.3	7.8	23	32	325	246	779	920	36/11	36/2	121.9	137.0	3.1	3.0	236/1	242/10	2/3	1/3	14/6	8/4	
	Crown	12	6,487	5.0	224	21.5	32.6	31	32	299	311	2,751	2,836	36/11	36/5	420.3	417.1	3.1	2.9	241/7	248/1	1/3	4d.	8/5	2/3	
	Durban Deep	12	7,904	4.1	235	40.8	34.4	55	52	321	381	2,200	2,192	39/8	38/8	398.3	387.3	3.6	3.5	218/11	218/5	5/7	5/8	31/-	31/11	
	E. Rand Prop.	12	5,482	6.3	295	7.4	11.6	35	53	443	414	2,669	2,634	50/7	50/4	675.8	673.6	5.1	5.1	199/8	196/10	12/9	13/8	50/3	53/6	
	Harmony	6	3,135	9.1	467	3.6	7.1	92	91	542	619	584	495	69/3	59/8	234.6	197.7	8.0	8.0	172/5	149/3	31/4	40/5	78/-	101/4	
	Modder E.	6	828	3.5	140	2.1	1.3	29	23	140	185	800	828	24/7	24/11	79.5	83.7	2.0	2.0	247/5	246/8	4d.	5d.	3/1	4/4	
	Rose Deep	12	279	4.8	240	3.0	2.3	47	37	285	408	615	610	32/11	36/9	82.0	90.1	2.7	3.0	247/1	248/10	4d.	3d.	2/5	1/8	
	T'vaal G.M.E.	12	59	11.0	—	2.3	7.2	48	26	391	346	168	165	42/11	58/10	27.9	35.5	3.3	4.3	258/7	273/5	3/9	3/9	22/7	17/6	
J.C.I.	E. Ch'p d'Or	12	184	0.8	25	19.2	7.5	35	68	41	42	151	142	—	—	4.3	4.3	0.6	0.6	—	—	—	—	—	—	
	Freddies C.	12	1,088	5.5	220	5.6	8.9	61	64	416	404	639	665	—	—	178.7	194.0	5.6	5.8	—	—	—	—	—	—	
	Govt. G.M.A.	12	505	5.8	389	1.7	1.6	29	38	262	411	747	1,077	48/7	44/4	125.3	182.7	3.4	3.4	289/5	261/9	1d.	L1/1	4d.	L6/3	
	Randfontein	12	424	4.7	240	0.4	1.6	50	31	430	173	311	2,343	—	—	51.2	234.0	3.3	2.0	—	—	—	—	—	—	
Union Corporation	E. Geduld	12	8,500	6.0	312	6.9	8.9	51	54	221	247	1,547	1,615	34/8	33/8	475.8	496.0	6.2	6.1	112/9	109/7	42/2	43/2	137/1	140/8	
	Geduld Prop.	12	500	3.8	220	6.7	9.5	48	42	373	220	929	1,144	38/4	35/2	153.9	181.3	3.3	3.2	231/4	221/10	3/1	4/7	18/7	28/9	
	Grootvlei	12	13,500	4.5	216	16.2	20.2	38	44	209	199	2,360	2,357	31/6	31/1	502.1	503.5	4.3	4.3	148/-	145/4	21/8	22/5	101/9	104/11	
	Marievale	12	5,300	5.3	242	22.9	22.8	31	32	233	230	891	854	41/8	42/2	232.6	244.4	5.2	5.3	159/6	160/5	23/7	23/7	90/4	89/9	
	St. Helena	12	3,400	6.5	358	23.4	16.6	48	52	520	421	1,468	1,392	41/9	40/10	429.2	405.8	5.8	5.8	142/8	140/3	31/4	32/1	107/2	110/-	
	Van Dyk	12	300	4.0	192	11.4	12.5	20	31	304	304	913	919	39/8	40/6	168.1	162.6	3.7	3.5	215/3	228/9	6/4	3/10	34/7	21/6	
	Winkelhaak	12	1,200	5.7	331	21.0	10.4	66	63	373	381	69	—	51/8	—	15.5	—	4.5	—	229/11	—	4/8	—	20/9	—	
General Mining	Buffelsfontein	6	2,217	9.6	553	14.6	13.4	99	97	684	600	721	664	53/8	49/6	243.5	216.2	6.8	6.5	158/10	152/1	30/11	32/-	91/6	98/5	
	Ellaton	6	—	—	—	1.6	4.8	69	69	440	445	190	195	38/2	38/11	44.4	43.6	4.7	4.5	163/4	174/2	20/4	17/-	87/-	76/-	
	Stilfontein	12	4,571	10.1	404	16.2	15.3	79	92	482	436	1,399	1,231	57/1	54/3	699.2	564.7	10.0	9.2	114/3	118/8	67/10	60/5	135/8	131/9	
	S. Rooodepoort	6	1,093	4.9	230	8.6	7.9	23	32	310	310	179	177	43/7	42/4	42.2	41.6	4.7	4.7	184/5	180/2	15/5	16/4	65/2	69/6	
	W. Rand Cons.	12	4,978	3.4	167	17.8	21.7	73	71	356	340	1,542	2,574	—	—	247.3	259.8	2.0	2.0	—	—	—	—	—	—	
Anglo T'vaal	Hariebeest	6	2,453	9.7	383	17.2	17.4	95	95	464	451	522	515	65/-	64/8	286.3	282.5	11.0	11.0	118/6	117/4	72/3	72/11	131/10	133/-	
	Loraine	3	1,045	4.6	190	1.2	6.1	31	23	438	357	222	184	54/-	53/2	43.1	36.1	3.9	3.9	276/11	270/6	L5/2	L4/2	L2626/		

NEW CONSOLIDATED GOLD FIELDS LIMITED

Registered Office: 49 MOORGATE, LONDON, E.C.2.

Mining Companies' Directors' Reports for the Quarter ended 31st December, 1958

(All companies mentioned are Incorporated in the Union of South Africa, unless otherwise stated)

DOORNFONTEIN GOLD MINING COMPANY LIMITED.

ISSUED CAPITAL £4,914,000 IN 9,828,000 SHARES OF 10s. EACH

PRODUCTION	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Gold		
Tons milled	263,000	262,000
Total yield in ounces fine	109,822	109,427
Total yield per ton (dwt.)	8.351	8.353
Working Revenue per ton milled	104s. 6d.	104s. 8d.
Working Expenditure per ton milled	61s. 0d.	60s. 4d.
Working profit per ton milled	43s. 6d.	44s. 4d.
Working Revenue	£1,374,016	£1,371,091
Working Expenditure	801,942	790,022
Working Profit	£572,074	£581,069
Uranium Oxide		
Tons milled for gold and treated in leaching plant	114,000	120,000
Total yield—Uranium oxide lbs.	27,214	28,695
Yield per ton leached—Uranium oxide lb.	0.239	0.239
Uranium oxide sold (lb.)	27,774	27,620
Revenue less treatment charges (subject to adjustment)	45,000	45,000
Total Working Profit	£617,074	£626,069
Capital Expenditure	£194,658	£181,951
Uranium Loan Instalment	£9,900	£9,900
State's Share of Profit	Nil	Nil
Taxation	Nil	Nil

QUOTA FOR SALES OF URANIUM OXIDE TO THE COMBINED DEVELOPMENT AGENCY—The West Driefontein Uranium Plant, to which this Company and West Driefontein Gold Mining Company Limited contribute uranium-bearing slime for the extraction of uranium oxide, has been allocated a quota of 276,200 lbs. of uranium oxide for sale to the Combined Development Agency during the twelve months ending 31st December, 1959.

DEVELOPMENT—Carbon Leader

Footage Advanced	13,401	13,436
Footage Sampled	5,835	4,560
Payable—Feet	5,195	3,985
Per cent	89.0	87.4
Stope Width (in.)	41.2	41.1
Stope Value—Gold (dwt./ton)	8.3	8.5
Inch-dwt. Gold	342	349
Stope Value—Uranium oxide (lb./ton)	0.22	0.18
Inch-lb. Uranium oxide	9.1	7.4

DIVIDEND—A dividend (No. 4) of 1s. 6d. per share was declared on 9th December, 1958, in Union of South Africa currency, payable on or about 6th February, 1959, to Members registered in the books of the Company at the close of business on 31st December, 1958.

THE SUB NIGEL LIMITED

(Incorporated in the Union of South Africa)

ISSUED CAPITAL £885,937 IN 1,771,875 SHARES OF 10s. EACH

OPERATIONS	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Tons milled	199,250	199,500
Total yield in ounces fine	47,685	48,098
Total yield per ton (dwt.)	4.786	4.822
Working Revenue per ton milled	59s. 11d.	60s. 5d.
Working Expenditure per ton milled	52s. 6d.	52s. 7d.
Working Profit per ton milled	7s. 5d.	7s. 10d.
Working Revenue	£596,997	£602,791
Working Expenditure	523,430	524,803
Working Profit	£73,567	£77,988
Capital Expenditure	Cr. £513	£8,962
Taxation	£19,015	£28,538
DEVELOPMENT		
Main Reef		
Footage advanced	5,777	5,812
Footage sampled	5,010	5,335
Payable—Feet	1,225	1,455
Per cent	24.5	27.3
Stope Width (in.)	36.4	36.2
Stope value (dwt./ton)	9.5	8.8
Inch-dwt.	346	319

FIRST REDUCTION OF CAPITAL—In terms of a Special Resolution passed at an Extraordinary General Meeting of Members which was first held on 9th January, 1959, and thereafter adjourned to 16th January, 1959, application is being made to the Court for an Order confirming a proposed return to Members of paid-up capital which is in excess of the wants of the Company to the extent of 1s. 6d. per share.

A circular will be forwarded to Members as soon as the result of the application to Court is known.

VLAKFONTEIN GOLD MINING COMPANY LIMITED

(Incorporated in the Union of South Africa)

ISSUED CAPITAL £3,000,000 IN 6,000,000 SHARES OF 10s. EACH

OPERATIONS	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Tons milled	149,500	150,000
Total yield in ounces fine	53,205	52,970
Total yield per ton (dwt.)	7.118	7.063
Working Revenue per ton milled	89s. 0d.	88s. 5d.
Working Expenditure per ton milled	54s. 9d.	53s. 10d.
Working Profit per ton milled	34s. 3d.	34s. 7d.
Working Revenue	£665,138	£663,355
Working Expenditure	408,916	404,235
Working Profit	£256,222	£259,120
Capital Expenditure	Nil	£5,257
State's Share of Profit	Nil	Nil
Taxation	£109,290	£119,722
DEVELOPMENT		
Main Reef		
Footage advanced	10,024	9,740
Footage sampled	7,295	6,985
Payable—Feet	2,520	2,175
Per cent	34.5	31.1
Stope width (in.)	41.2	41.5
Stope value (dwt./ton)	8.1	7.3
Inch-dwt.	334	303

ORE RESERVE AT 31st DECEMBER, 1958

Tonnage	Width (in.)	Value (dwt./ton)	Inch-dwt.
1,596,000	41.4	7.9	327

DIVIDEND—A dividend (No. 31) of 1s. per share was declared on 9th December, 1958, in Union of South Africa currency, payable on or about 6th February, 1959, to Members registered in the books of the Company at the close of business on 31st December, 1958.

LIBANON GOLD MINING COMPANY LTD.

(Incorporated in the Union of South Africa)

ISSUED CAPITAL £3,968,650 IN 7,937,300 SHARES OF 10s. EACH

OPERATIONS	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Tons milled	294,000	294,000
Total yield in ounces fine	69,634	69,056
Total yield per ton (dwt.)	4.737	4.698
Working Revenue per ton milled	59s. 4d.	58s. 11d.
Working Expenditure per ton milled	48s. 3d.	47s. 9d.
Working Profit per ton milled	11s. 1d.	11s. 2d.
Working Revenue	£871,756	£865,625
Working Expenditure	709,369	701,518
Working Profit	£162,387	£164,107
Capital Expenditure	£134,737	£85,525
Taxation	Nil	Nil
DEVELOPMENT		
Main Reef		
Footage Sampled	4,375	3,200
Payable—Feet	3,125	2,330
Per cent	71.4	72.8
Stope width (in.)	53.4	51.0
Stope value (dwt./ton)	6.0	5.8
Inch-dwt.	320	296
Contact Reef		
Footage Sampled	1,560	1,760
Payable—Feet	630	1,055
Per cent	40.4	59.9
Stope width (in.)	50.1	48.7
Stope value (dwt./ton)	5.7	9.9
Inch-dwt.	286	482
Total Development		
Footage Advanced	14,728	16,995
Footage Sampled	5,935	4,960
Payable—Feet	3,755	3,385
Per cent	63.3	68.2
Stope width (in.)	52.8	50.3
Stope value (dwt./ton)	5.9	7.0
Inch-dwt.	312	352

In addition 270 feet of exploratory development was carried out under prospecting permit outside the north-western boundary of the mine, during the quarter ended 31st December, 1958.

HARVIE-WATT SHAFT—During the quarter ended 31st December, 1958, the Harvie-Watt Shaft was sunk a distance of 805 feet to a total depth of 2,035 feet.

DIVIDEND—A dividend (No. 16) of 3½d. per share was declared on 9th December, 1958, in Union of South Africa currency, payable on or about 6th February, 1959, to Members registered in the books of the Company at the close of business on 31st December, 1958.

WEST DRIEFONTEIN GOLD MINING COMPANY LIMITED

(Incorporated in the Union of South Africa)

ISSUED CAPITAL £3,520,540 IN 7,041,080 SHARES OF 10s. EACH

PRODUCTION	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Gold		
Tons milled	242,000	240,000
Total yield in ounces fine	231,398	229,074
Total yield per ton (dwt.)	19.124	19.089
Working Revenue per ton milled	239s. 6d.	239s. 2d.
Working Expenditure per ton milled	83s. 1d.	82s. 10d.
Working Profit per ton milled	156s. 5d.	156s. 4d.
Working Revenue	£2,898,239	£2,870,371
Working Expenditure	1,005,375	994,102
Working Profit	£1,892,864	£1,876,269
Uranium Oxide		
Tons treated in leaching plant	137,500	147,000
Total yield—uranium oxide lb.	42,711	43,133
Yield per ton leached—uranium oxide lb.	0.311	0.293
Uranium oxide sold (lb.)	41,666	41,430
Revenue less treatment charges (subject to adjustment)	138,000	138,000
TOTAL WORKING PROFIT	£2,030,864	£2,014,269

Capital Expenditure	£500,907	£370,688
Uranium Loan Instalment	£75,600	£75,600
State's Share of Profit	£198,158	£204,089
Taxation	£573,004	£582,416

QUOTA FOR SALES OF URANIUM OXIDE TO THE COMBINED DEVELOPMENT AGENCY—The West Driefontein Uranium Plant, to which this Company and Doornfontein Gold Mining Company Limited contribute uranium-bearing slime for the extraction of uranium oxide, has been allocated a quota of 276,200 lbs. of uranium oxide for sale to the Combined Development Agency during the twelve months ending 31st December, 1959.

DEVELOPMENT—Carbon Leader	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Footage advanced	18,825	18,941
Footage sampled	5,340	5,415
Payable—Feet	5,240	5,125
Per cent	98.1	94.6
Stope Width (in.)	42.7	42.2
Stope Value—Gold (dwt./ton)	15.0	15.8
Inch-dwt.—Gold	641	667
Stope Value—Uranium Oxide (lb./ton)	0.26	0.27
Inch-lb. Uranium Oxide	11.1	11.4

DIVIDEND—A dividend (No. 12) of 4s. 6d. per share was declared on 9th December, 1958, in Union of South Africa currency, payable on or about 6th February, 1959, to Members registered in the books of the Company at the close of business on 31st December, 1958.

VENTERSPOST GOLD MINING COMPANY LIMITED

(Incorporated in the Union of South Africa)

ISSUED CAPITAL £2,450,000 IN 4,900,000 SHARES OF 10s. EACH

OPERATIONS	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Tons milled	378,000	391,000
Total yield in ounces fine	94,525	96,491
Total yield per ton (dwt.)	5.001	4.936
Working Revenue per ton milled	62s. 7d.	61s. 10d.
Working Expenditure per ton milled	53s. 6d.	52s. 6d.
Working Profit per ton milled	9s. 1d.	9s. 4d.
Working Revenue	£1,183,453	£1,208,801
Working Expenditure	1,012,074	1,026,995
Working Profit	£171,379	£181,806
Capital Expenditure	£38,765	£34,554
Taxation	£60,000	£60,000

DEVELOPMENT	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Main Reef		
Footage sampled	8,140	7,270
Payable—Feet	4,895	4,320
Per cent	60.1	59.4
Stope width (in.)	54.4	61.2
Stope value (dwt./ton)	4.4	4.9
Inch-dwt.	239	300
Contact Reef		
Footage sampled	4,020	4,760
Payable—Feet	3,000	3,300
Per cent	74.6	69.3
Stope width (in.)	57.7	52.9
Stope value (dwt./ton)	14.0	13.1
Inch-dwt.	808	693
Total Development		
Footage advanced	18,202	19,902
Footage sampled	12,160	12,030
Payable—Feet	7,895	7,620
Per cent	64.9	63.3
Stope width (in.)	55.7	57.6
Stope value (dwt./ton)	8.2	8.2
Inch-dwt.	457	472

DIVIDEND—A dividend (No. 38) of 10s. 4d. per share was declared on 9th December, 1958, in Union of South Africa currency, payable on or about 6th February, 1959, to Members registered in the books of the Company at the close of business on 31st December, 1958.

THE LUIPAARDS VLEI ESTATE AND GOLD MINING COMPANY LIMITED.

(Incorporated in England: Head Office: Johannesburg)

ISSUED CAPITAL £496,911 IN 4,969,105 SHARES OF 2s. EACH

OPERATIONS	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Main Reef Section		
Tons milled	210,000	210,000
Total yield in ounces fine	36,223	36,126
Yield per ton (dwt.)	3.450	3.441
Working Revenue per ton milled	43s. 2d.	43s. 2d.
Working Expenditure per ton milled	41s. 6d.	41s. 8d.
Working Profit per ton milled	1s. 8d.	1s. 6d.
Working Revenue	£453,464	£452,919
Working Expenditure	436,314	437,215
Working Profit	£17,150	£15,704
Bird Reef Section		
Tons milled for gold and treated in leaching plant	150,000	152,000
Total yield—gold ounces fine	4,443	4,523
Total yield—uranium oxide (lb.)	192,461	192,956
Yield per ton leached—uranium oxide (lb.)	1.283	1.269
Uranium oxide sold (lb.)	190,755	190,755
Revenue from gold	£55,651	£56,748
Revenue from uranium oxide less treatment charges	660,209	645,429
Working Expenditure	£715,860	£702,177
Working Profit (Subject to adjustment)	445,860	434,177
TOTAL WORKING PROFIT	£287,150	£283,704
Capital Expenditure	£9,451	£6,284
Uranium Loan Instalment	£88,500	£88,500
Taxation	£87,172	£91,253

QUOTA FOR SALES OF URANIUM OXIDE TO THE COMBINED DEVELOPMENT AGENCY—This Company has been allocated a quota of 763,020 lbs. of uranium oxide for sale to the Combined Development Agency during the twelve months ending 31st December, 1959.

DEVELOPMENT	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Main Reef Section (Gold)		
Main Reef		
Footage Sampled	1,490	1,740
Payable—Feet	940	1,090
Per cent	63.1	62.6
Stope width (in.)	51.1	55.2
Stope value (dwt./ton)	6.7	6.1
Inch-dwt.	342	337
South Reef		
Footage Sampled	1,885	2,205
Payable—Feet	1,305	1,430
Per cent	69.2	64.9
Stope width (in.)	34.0	34.0
Stope value (dwt./ton)	5.6	6.6
Inch-dwt.	190	224
Battery Reef		
Footage Sampled	130	50
Payable—Feet	130	—
Per cent	100.0	—
Stope width (in.)	35.0	—
Stope value (dwt./ton)	4.9	—
Inch-dwt.	172	—
Total Main Reef Section (Gold)		
Footage advanced	8,929	8,922
Footage sampled	3,505	3,995
Payable—Feet	2,375	2,520
Per cent	67.8	63.1
Stope width (in.)	40.8	43.2
Stope value (dwt./ton)	6.1	6.3
Inch-dwt.	249	272
Bird Reef Section (Uranium)		
Total Bird Reef		
Footage advanced	20,022	19,955
Footage sampled	5,020	6,305
Payable—Feet	3,155	3,545
Per cent	62.8	56.2
Stope width (in.)	36.5	36.9
Gold—Value (dwt./ton)	2.0	1.4
Inch-dwt.—Value (lb./ton)	73	52
Uranium Oxide—Value (lb./ton)	2.64	2.25
Inch-lb.	96.4	83.0

* On combined Uranium Oxide/Gold content.
DIVIDEND—A dividend (No. 57) of 1s. per share was declared on 9th December, 1958, in Union of South Africa currency payable on or about 6th February, 1959, to Members registered in the books of the Company at the close of business on 31st December, 1958.

ROBINSON DEEP LIMITED

(Incorporated in the Union of South Africa)

ISSUED CAPITAL £600,000 IN 2,000,000 "B" SHARES OF 6s. EACH

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Tons milled	212,500	221,000
Total yield in ounces fine	43,720	46,663
Total yield per ton (dwt.)	4.115	4.223
Working Revenue per ton milled	51s. 6d.	52s. 11d.
Working Expenditure per ton milled	53s. 6d.	53s. 5d.
Loss	2s. 0d.	6d.
Working Revenue	£547,215	£584,628
Working Expenditure	568,654	590,093
WORKING PROFIT	Loss £21,439	£5,465

Hoisting operations through the Turf Shaft System were severely restricted during the latter part of December, 1958, by a pressure burst which closed the Shaft at 23 level station. As a result certain higher grade stopes have been rendered unavailable for the time being.

Capital Expenditure (includes sale of property for £8,850)	Cr. £8,570	£3,114
Taxation	Nil	Nil
DEVELOPMENT		
Main Reef Leader		
Footage sampled	750	1,235
Payable—Feet	205	310
Per cent	27.3	25.1
Stope width (in.)	47.6	48.8
Stope value (dwt./ton)	6.2	5.6
Inch-dwt.	295	273
South Reef		
Footage sampled	615	335
Payable—Feet	375	300
Per cent	61.0	89.6
Stope width (in.)	51.0	51.2
Stope value (dwt./ton)	7.0	8.2
Inch-dwt.	357	420
Pyratics		
Footage sampled	285	500
Payable—Feet	100	65
Per cent	35.1	13.0
Stope width (in.)	51.1	56.0
Stope value (dwt./ton)	6.8	6.8
Inch-dwt.	347	325
Total Development		
Footage advanced	1,671	3,606
Footage sampled	1,650	2,070
Payable—Feet	680	675
Per cent	41.2	32.6
Stope width (in.)	50.0	50.6
Stope value (dwt./ton)	6.7	6.8
Inch-dwt.	335	344

	TONNAGE	WIDTH (in.)	STOPE VALUE (dwt./ton)	INCH-DWT.
ORE RESERVE AT 31st DECEMBER, 1958	982,000	51.2	4.6	236

SECOND REDUCTION OF CAPITAL—In terms of a Special Resolution passed at an Extraordinary General Meeting of Members first held on 9th January, 1959, and thereafter adjourned to 16th January, 1959, application is being made to the Court for an Order confirming a proposed return to Members of paid-up capital which is in excess of the wants of the Company to the extent of 6d. per share.

A circular will be forwarded to Members as soon as the result of the application to Court is known.

RIETFontein CONSOLIDATED MINES, LTD.

(Incorporated in the Union of South Africa)

ISSUED CAPITAL £224,450 IN 1,122,252 SHARES OF 4s. EACH

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Tons milled	54,000	62,500
Total yield in ounces fine	13,685	14,416
Total yield per ton (dwt.)	5.069	4.613
Working Revenue per ton milled	63s. 5d.	57s. 10d.
Working Expenditure per ton milled	52s. 4d.	47s. 1d.
Working Profit per ton milled	11s. 1d.	10s. 9d.
Working Revenue	£171,265	£180,765
Working Expenditure	141,273	147,228
WORKING PROFIT	£29,992	£33,537
Capital Expenditure	Nil	Nil
Taxation	£13,400	£14,823
DEVELOPMENT		
South Reef		
Footage sampled	370	505
Payable—Feet	250	300
Per cent	67.6	59.4
Stope width (in.)	43.1	43.0
Stope value (dwt./ton)	4.3	4.3
Inch-dwt.	185	185
Main Reef		
Footage sampled	615	665
Payable—Feet	430	430
Per cent	69.9	64.7
Stope width (in.)	61.2	52.3
Stope value (dwt./ton)	9.1	5.5
Inch-dwt.	557	758

SIMMER AND JACK MINES LIMITED

(Incorporated in the Union of South Africa)

ISSUED CAPITAL £675,000 IN 6,750,000 SHARES OF 2s. EACH

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Tons milled	269,500	271,000
Total yield in ounces fine	50,994	50,834
Total yield per ton (dwt.)	3.784	3.752
Working Revenue per ton milled	47s. 4d.	47s. 0d.
Working Expenditure per ton milled	44s. 7d.	43s. 11d.
Working Profit per ton milled	2s. 9d.	3s. 1d.
Working Revenue	£638,029	£637,065
Working Expenditure	601,446	595,677
Working Profit	£36,583	£41,388
Capital Expenditure	£10,028	£6,349
State's Share of Profit	£1,777	£2,086
Taxation	£1,078	£1,283
Pneumoconiosis Refund	£2,542	Nil
DEVELOPMENT		
Main Reef		
Footage Sampled	2,175	2,175
Payable—Feet	735	840
Per cent	33.8	38.6
Stope Width (in.)	46.0	48.5
Stope Value (dwt./ton)	7.1	5.5
Inch-dwt.	327	267
Main Reef Leader		
Footage Sampled	2,905	2,890
Payable—Feet	1,710	995
Per cent	58.9	34.4
Stope Width (in.)	38.5	38.9
Stope Value (dwt./ton)	5.7	5.5
Inch-dwt.	219	214
South Reef		
Footage Sampled	830	600
Payable—Feet	480	180
Per cent	57.8	30.0
Stope Width (in.)	42.5	49.2
Stope Value (dwt./ton)	5.6	7.2
Inch-dwt.	238	354
Total Development		
Footage Advanced	9,514	9,229
Footage Sampled	5,910	5,665
Payable—Feet	2,925	2,015
Per cent	49.5	35.6
Stope Width (in.)	41.0	43.8
Stope Value (dwt./ton)	6.1	5.7
Inch-dwt.	250	250

	TONNAGE	WIDTH (in.)	STOPE VALUE (dwt./ton)	INCH-DWT.
ORE RESERVE AT 31st DECEMBER, 1958	751,000	44.6	4.2	187

SECOND REDUCTION OF CAPITAL—In terms of a Special Resolution passed at an Extraordinary General Meeting of Members first held on 9th January, 1959, and thereafter adjourned to 16th January, 1959, application is being made to the Court for an Order confirming a proposed return to Members of paid-up capital which is in excess of the wants of the Company to the extent of 6d. per share.

A circular will be forwarded to Members as soon as the result of the application to Court is known.

	TONNAGE	WIDTH (in.)	STOPE VALUE (dwt./ton)	INCH-DWT.
North Reef				
Footage sampled	120	285		
Payable—Feet	—	40		
Per cent	—	14.0		
Stope Width (in.)	—	48.4		
Stope Value (dwt./ton)	—	8.2		
Inch-dwt.	—	397		
Total Development				
Footage advanced	4,137	3,085		
Footage sampled	1,105	1,455		
Payable—Feet	680	770		
Per cent	61.5	52.9		
Stope Width (in.)	54.5	48.5		
Stope Value (dwt./ton)	7.7	10.6		
Inch-dwt.	420	514		

	TONNAGE	WIDTH (in.)	STOPE VALUE (dwt./ton)	INCH-DWT.
ORE RESERVES AT 31st DECEMBER, 1958	137,000	51.4	5.2	267

SECOND REDUCTION OF CAPITAL—In terms of a Special Resolution passed at an Extraordinary General Meeting of Members which was first held on 9th January, 1959, and thereafter adjourned to 16th January, 1959, application is being made to the Court for an Order confirming a proposed return to Members of paid-up capital which is in excess of the wants of the Company to the extent of 10d. per share.

A circular will be forwarded to Members as soon as the result of the application to Court is known.

VOGELSTRUISBULT GOLD MINING AREAS LIMITED

(Incorporated in the Union of South Africa)

ISSUED CAPITAL £2,514,286 IN 5,028,571 SHARES OF 10s. EACH

PRODUCTION	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Gold		
Tons milled	281,000	285,000
Total yield in ounces fine	62,378	63,442
Total yield per ton (dwt.)	4,440	4,452
Working Revenue per ton milled	55s. 9d.	55s. 11d.
Working Expenditure per ton milled	46s. 2d.	46s. 9d.
Working Profit per ton milled	9s. 7d.	9s. 2d.
Working Revenue	£783,017	£797,225
Working Expenditure	648,178	666,290
WORKING PROFIT	£134,839	£130,935
Uranium Oxide and Pyrite		
Tons milled for gold and treated in leaching plant	124,400	129,400
Total yield—uranium oxide lbs.	52,053	53,349
Yield per ton leached—uranium oxide lb.	0.418	0.412
Uranium Oxide Sales (lb.)	52,160	52,160
Total yield—pyrite tons	8,104	10,470
Revenue less treatment charges (subject to adjustment)	156,000	162,000
TOTAL WORKING PROFIT	£290,839	£292,935
Capital Expenditure	Cr. £3,586	Cr. £426
Uranium Loan Instalment	£72,000	£72,000
Taxation	£81,048	£96,576

DEVELOPMENT

Main Reef				
Footage Sampled	3,090	4,405		
Payable—Feet	1,160	1,220		
Per cent	37.5	27.7		
Stope Width (in.)	39.7	41.7		
Stope Value (dwt./ton)	7.1	6.8		
Inch-dwt.	282	284		
Kimberley Reef				
Footage Sampled	4,170	4,195		
Payable—Feet	1,085	1,080		
Per cent	26.0	25.7		
Stope Width (in.)	55.0	47.4		
Gold Value (dwt./ton)	5.2	6.3		
Inch-dwt.	286	299		
Uranium Oxide : Content (lbs./ton)	0.47	0.75		
Inch-lb.	25.9	35.6		
Total Development				
Footage Advanced	9,046	10,472		
Footage Sampled	7,260	8,600		
Payable—Feet	2,245	2,300		
Per cent	30.9	26.7		
Stope Width (in.)	47.1	44.4		
Gold Value (dwt./ton)	6.0	6.6		
Inch-dwt.	283	293		

ORE RESERVE AT 31st DECEMBER, 1958

Classification	Tonnage	Stope width (in.)	dwt./ton	Inch-dwt.	lb./ton	Inch-lb.	
Main Reef	1,114,000	40.1	4.8	192			
Kimberley	804,000	43.9	4.7	206	0.49	21.5	
Totals and Averages	1,918,000	41.6	4.8	200			

DIVIDEND—A dividend (No. 40) of 1s. per share was declared on 9th December, 1958, in Union of South Africa currency, payable on or about 6th February, 1959, to Members registered in the books of the Company at the close of business on 31st December, 1958.

FREE STATE SAAIPLAAS GOLD MINING COMPANY LIMITED

(Incorporated in the Union of South Africa)

ISSUED CAPITAL £9,711,278 IN 19,422,557 SHARES OF 10s. EACH

No. 1 Shaft—During the quarter the Shaft was sunk a distance of 249 feet to a final depth of 5,853 feet. The 9 level station was cut and supported and work is progressing on the cutting and support of the pump and sump layout at the bottom of the Shaft.

No. 2 Shaft—The Shaft was sunk a distance of 507 feet to a total depth of 6,266 feet. The cutting and supporting of the 10th, 11th, 12th and 13th level stations were completed.

The Leader Reef was intersected in No. 2 Shaft on 2nd November, 1958, at a depth of 5,939 feet below collar. The exposure was complete and sampling around the periphery of the Shaft showed negligible values.

On 4th November, 1958, at a depth of 5,960 feet below collar the Basal Reef was intersected. The exposure was complete and sampling around the periphery of the Shaft averaged 16.7 dwt. per ton over a reef channel width of 15.4 inches, equivalent to 257 inch dwt.

Housing—A total of 217 houses for European employees have been authorised to be built in Virginia Township. Of this number 110 have been built and 34 are in the course of construction.

General—General construction work proceeded satisfactorily.

Reduction Works—Construction work on additional roads to serve the reduction works area and the excavations of trenches for air and water reticulation commenced during the quarter.

Water Disposal—Construction work on the pipeline for the disposal of mine water into the pan known as Rietpan progressed satisfactorily.

NOTES—The Development returns of the above Companies show the actual sampling results : adjustments which may be required when estimating ore reserves have not been applied.

Copies of the Reports may be obtained from the London Secretary of the Companies, 49, Moorgate, London, E.C.2.

WEST WITWATERSRAND AREAS LIMITED

(Incorporated in the Union of South Africa)

ISSUED CAPITAL £1,026,464 IN 8,211,712 SHARES OF 2s. 6d. EACH

DRILLING—Drilling operations were confined to Borehole No. E.10E on farm Gerhardminnebron No. 139. The re-drilled borehole attained a depth of 495 feet at the end of the quarter having traversed cavernous dolomite, with chert bands and some vein-quartz.

INCREASE IN SHARE CAPITAL—In December, 1958, the authorised capital of the Company was increased from £1,085,624 divided into 8,684,992 shares of 2s. 6d. each to £1,187,500 in 9,500,000 shares of 2s. 6d. each by the creation of 815,008 new shares of 2s. 6d. each. In terms of a Circular to Members dated 6th January, 1959, Members were advised that the Directors had decided to offer £21,171 of the 1,288,288 unissued shares of 2s. 6d. each at the price of 45s. per share (South African currency) payable in full on acceptance to Members who were registered in the books of the Company at the close of business on 13th January, 1959, in the proportion of one new share for every ten shares held by them, fractions of a share arising from this offer being disregarded.

DIVIDEND—A dividend (No. 20) of 1s. 9d. per share was declared on 9th December, 1958, in Union of South Africa currency payable on or about 6th February, 1959, to Members registered in the books of the Company at the close of business on 31st December, 1958.

there will in any case be little or no advance indication of an official change of attitude.

It therefore remains for the investor to read for himself the signs in the American economy. Here the two key factors remain, *first*, the rate at which the United States gold outflow continues, and *second*, the rate at which inflationary trends within the States continue. The latter is important in relation to the rapidity with which American exports may become priced out of international markets at present dollar exchange rates.

Gold Price Change Unlikely—

United States gold losses are estimated to have amounted to a further \$2,000,000,000 during the first nine months of 1958, so that by the end

of September holdings were about \$21,000,000,000. The present legal requirement of 25 per cent gold backing for the Federal Reserve System would, it is believed, currently require a gold holding of about \$11,000,000,000. This would have left at the end of September \$10,000,000,000 as backing for foreign gold holdings (unofficially estimated at that date at \$15,000,000,000) and for United States stocks and bonds held by foreign investors (believed to total a further \$9,000,000,000).

Even although the position may have deteriorated further since then, it is thus clear that the present backing of between 35 and 40 per cent for the United States' external liabilities would in the ordinary way be adequate, short of a severe run on the dollar.

However, while, on gold reserves considerations, there is obviously still no imminent domestic need for Washington to raise the gold price, it is beginning to look as if the nervousness about the strength of the dollar, which undoubtedly exists in the thinking of many American investors, may be growing in the face of Washington's apparent failure to arrest inflation.

—But How Strong is the Dollar?

For most American manufacturers most of the time exports are little more than the jam in the sandwich, but during the recent recession, from which the United States economy now appears to be recovering, the importance of exports

(Continued on page 13)

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED

GOLD MINING COMPANIES' DIRECTORS' REPORTS FOR THE QUARTER ENDED 31st DECEMBER, 1958

(All Companies mentioned are incorporated in the Union of South Africa)

DEVELOPMENT VALUES

The development values in all these Companies' Reports represent actual results of sampling, no allowance having been made for adjustments which are necessary in estimating ore reserves.

WESTERN REEFS EXPLORATION AND DEVELOPMENT COMPANY, LIMITED

ISSUED CAPITAL (In shares of 5s. each) £1,750,000

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold		
Tons milled	324,500	338,500
Ounces fine	81,238	81,365
Yield per ton—dwt.	5.01	4.81
Cost per ounce	198s. 6d.	198s. 6d.
Revenue per ton milled	62s. 8d.	60s. 2d.
Cost per ton milled	49s. 7d.	47s. 9d.
Profit per ton milled	13s. 1d.	12s. 5d.
Uranium		
Tons treated	641,063	682,858
Uranium oxide produced—lb.	185,930	175,756
Yield per ton treated—lb.	0.290	0.257
WORKING RESULTS		
Gold—Working revenue	£1,017,256	£1,018,187
—Working costs	804,360	807,624
	£212,896	£210,563
—Working profit		
Uranium and Sulphuric Acid—Working profit from sales of uranium oxide and sulphuric acid (estimated)	478,000	461,000
Total Working Profit	£690,896	£671,563

Uranium oxide sold during the six months ended 31st December, 1958—339,747 lb.
The estimated working profit for the year ended 31st December, 1958, was £2,651,800 (1957—£2,668,667).

TAXATION AND GOVERNMENT'S SHARE OF PROFITS—Estimated liability for the year ended 31st December, 1958—£1,057,400.

URANIUM AND SULPHURIC ACID PLANT LOANS

Quarterly instalment, comprising redemption and interest

£169,182 £169,182

CAPITAL EXPENDITURE

The total net expenditure for the year ended 31st December, 1958, was £133,894.

DIVIDEND—Dividend No. 35 of 1s. 3d. per share was declared payable to members registered in the books of the Company on the 31st December, 1958.

URANIUM OXIDE SALES QUOTA—The Atomic Energy Board has allocated to the Company a sales quota of 677,580 lb. of uranium oxide for the year ending 31st December, 1959.

DEVELOPMENT

Mining Lease Area
(Including the Goedgenoeg area over which the Minister of Mines has agreed to grant a lease)
Ventersdorp Contact and Elsburg Reefs:

Footage driven	4,302	6,829
Sampled		
Feet	2,475	3,775
Average gold value—dwt. per ton	4.92	5.62
Width—inches	42.97	37.41
Equivalent inch-dwt.	211	210
Payable (gold)		
Feet	940	1,480
Percentage	38.0	39.2
Average gold value—dwt. per ton	8.06	10.09
Average uranium oxide value—lb. per ton	0.29	0.28
Width—inches	47.80	38.75
Equivalent inch-dwt.	385	391
Equivalent inch-lb.	13.84	10.75
Vaal Reef:		
Footage driven	9,787	9,204
Sampled		
Feet	3,200	3,685
Average gold value—dwt. per ton	24.94	26.39
Width—inches	13.14	13.57
Equivalent inch-dwt.	328	358
Payable (gold)		
Feet	2,065	2,575
Percentage	64.5	69.9
Average gold value—dwt. per ton	31.56	34.76
Average uranium oxide value—lb. per ton	2.80	2.84
Width—inches	14.47	13.71
Equivalent inch-dwt.	457	477
Equivalent inch-lb.	40.58	38.96

WESTERN REEFS EXPLORATION AND DEVELOPMENT COMPANY, LIMITED—Continued

DEVELOPMENT—Outside Mining Lease Area

(Results of development on Ventersdorp Contact and Elsburg reefs on the Farm Nooitgedacht No. 53)

Footage driven	5,275	3,961
Sampled		
Feet	3,665	2,700
Average gold value—dwt. per ton	7.06	7.31
Width—inches	31.26	31.30
Equivalent inch-dwt.	221	229
Payable (gold)		
Feet	1,410	1,160
Percentage	38.5	43.0
Average gold value—dwt. per ton	12.22	10.22
Average uranium oxide value—lb. per ton	0.36	0.27
Width—inches	38.12	39.94
Equivalent inch-dwt.	466	408
Equivalent inch-lb.	13.59	10.94

ORE RESERVES 1958—Payable gold ore reserve as at the end of 1958 was estimated at 4,305,900 tons of an average value of 6.33 dwt. gold per ton and 0.538 lb. uranium oxide per ton over a stopping width of 44.21 inches.

On the Vaal reef horizon the reserve amounted to 2,199,300 tons having an average value of 8.05 dwt. gold per ton and 0.793 lb. uranium oxide per ton over a stopping width of 38.11 inches. This tonnage is included in the total of 4,305,900 referred to above.

In addition to the foregoing it is estimated that there were approximately 6,657,000 tons of uranium bearing slimes on the slimes dam having an average value of 0.320 lb. uranium oxide per ton.

1957—Payable gold ore reserve as at the end of 1957 was estimated at 4,546,000 tons of an average value of 5.93 dwt. gold per ton and 0.514 lb. uranium oxide per ton over a stopping width of 42.97 inches.

On the Vaal reef horizon the reserve amounted to 2,063,600 tons having an average value of 8.01 dwt. gold per ton and 0.798 lb. uranium oxide per ton over a stopping width of 37.06 inches. This tonnage is included in the total of 4,546,000 referred to above.

In addition to the foregoing it was estimated that there were approximately 7,929,000 tons of uranium bearing slimes on the slimes dam having an average value of 0.340 lb. uranium oxide per ton.

WESTERN DEEP LEVELS, LIMITED

ISSUED CAPITAL £850,000 (In 850,000 "A" shares of £1 each)

SHAFT SINKING—NO. 2 SHAFT SYSTEM

No. 2 Main Shaft: This shaft was sunk 1,137 feet to a depth of 2,375 feet and in addition, a temporary pump station was excavated necessitating 166 feet of development. The intersection of water-bearing fissures has affected sinking operations.

No. 2 Ventilation Shaft: This shaft was sunk 484 feet to a depth of 2,235 feet. In addition, 160 feet of development was done in cutting a temporary pump station. The intersection of water-bearing fissures has also affected sinking operations in this shaft.

NO. 3 SHAFT SYSTEM

No. 3 Main Shaft: This shaft was sunk 1,240 feet to a depth of 3,027 feet, and in addition, 167 feet of development was done in cutting a temporary pump station.

No. 3 Ventilation Shaft: This shaft was sunk 643 feet to a depth of 3,662 feet. In addition, 690 feet of development was accomplished in excavating the 3,000 foot intermediate pump station.

BUILDINGS AND PLANT

Workshops: The construction of the blacksmith's shop was completed. **Sewage Disposal Works:** Satisfactory progress was made with the construction of the sewage disposal works.

GENERAL

European Housing: 33 houses in the mine township have now been completed and occupied. The construction of a further 8 houses is proceeding.

Native Housing: The construction of the 4 blocks of 6 rooms each at No. 2 Shaft is progressing satisfactorily and, together with a permanent ablution block, is nearing completion.

The additional 6 temporary rooms at No. 3 Shaft were completed, whilst the construction of a permanent ablution block is in progress.

DAGGAFONTEIN MINES, LIMITED

ISSUED CAPITAL (In shares of 5s. each) £1,750,000

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold		
Tons milled	698,000	723,000
Ounces fine	143,405	148,562
Yield per ton—dwt.	4.11	4.11
Cost per ounce	144s. 0d.	143s. 8d.
Revenue per ton milled	51s. 5d.	51s. 5d.
Cost per ton milled	29s. 7d.	29s. 6d.
Profit per ton milled	21s. 10d.	21s. 11d.
Uranium		
Tons treated	400,870	382,231
Uranium oxide produced—lb.	148,273	151,115
Yield per ton treated—lb.	0.370	0.395
WORKING RESULTS		
Gold—Working revenue	£1,793,444	£1,859,078
—Working costs	1,032,782	1,067,095
—Working profit	£760,662	£791,983
Uranium and Sulphuric Acid—Working profit from sales of uranium oxide and Sulphuric Acid (estimated)	427,000	436,000
Total Working Profit	£1,187,662	£1,227,983

Uranium oxide sold during the six months ended 31st December, 1958—286,937 lb.
The estimated working profit for the year ended 31st December, 1958 was £4,752,500 (1957—£5,026,518).

TAXATION AND GOVERNMENT'S SHARE OF PROFITS—Estimated liability for the year ended 31st December, 1958—£2,608,000.

URANIUM AND SULPHURIC ACID PLANT LOANS

Quarterly instalment, comprising redemption and interest £140,776 £140,776

CAPITAL EXPENDITURE £31,049 £12,874
The total net expenditure for the year ended 31st December, 1958, was £43,923.

DIVIDEND—Dividend No. 52 of 2s. 6d. per share was declared payable to members registered in the books of the Company on the 31st December, 1958, and to persons presenting the relevant coupons detached from Share Warrants to Bearer.

URANIUM OXIDE SALES QUOTA—The Atomic Energy Board has allocated to the Company a sales quota of 572,260 lb. of uranium oxide for the year ending 31st December, 1959.

DEVELOPMENT

Main Reef Leader		
Footage driven	4,030	4,680
Sampled		
Feet	3,605	3,920
Average gold value—dwt. per ton	9.36	8.43
Width—inches	16.35	21.49
Equivalent inch-dwt.	153	181
Payable		
Feet	1,390	1,725
Percentage	38.6	44.0
Average gold value—dwt. per ton	18.09	16.00
Width—inches	17.46	20.73
Equivalent inch-dwt.	316	332
Kimberley Reef		
Footage driven	3,504	3,751
Sampled		
Feet	3,240	3,705
Average gold value—dwt. per ton	4.69	6.46
Width—inches	34.42	49.20
Equivalent inch-dwt.	161	318
Payable (gold)		
Feet	1,105	1,815
Percentage	34.1	49.0
Average gold value—dwt. per ton	10.64	11.28
Average uranium oxide value—lb. per ton	0.66	0.71
Width—inches	33.45	50.47
Equivalent inch-dwt.	356	569
Equivalent inch-lb.	22.08	35.68

ORE RESERVES 1958—Payable gold ore reserve as at the end of 1958 was estimated at 9,786,000 tons of an average value of 5.16 dwt. per ton over a stoping width of 43.19 inches.

On the Kimberley reef horizon the reserve amounted to 4,015,700 tons having a value of 5.82 dwt. gold per ton and 0.420 lb. uranium oxide per ton over a stoping width of 47.61 inches. This tonnage is included in the total of 9,786,000 referred to above.

In addition to the foregoing, it is estimated that there were approximately 2,184,000 tons of uranium bearing slimes on the Kimberley reef slimes dam having an average value of 0.400 lb. uranium oxide per ton.

1957—Payable gold ore reserve as at the end of 1957 was estimated at 10,246,500 tons of an average value of 5.36 dwt. per ton over a stoping width of 43.10 inches.

On the Kimberley reef horizon the reserve amounted to 4,134,000 tons having a value of 6.22 dwt. gold per ton and 0.422 lb. uranium oxide per ton over a stoping width of 46.79 inches. This tonnage is included in the total of 10,246,500 referred to above.

In addition to the foregoing, it was estimated that there were approximately 2,750,000 tons of uranium bearing slimes on the Kimberley reef slimes dam having an average value of 0.400 lb. uranium oxide per ton.

SPRINGS MINES, LIMITED

ISSUED CAPITAL (In shares of 5s. each) £2,527,500

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold		
Tons milled	356,000	389,000
Ounces fine	44,618	44,890
Yield per ton—dwt.	2.51	2.31
Cost per ounce	237s. 4d.	237s. 9d.
Revenue per ton milled	31s. 4d.	28s. 10d.
Cost per ton milled	29s. 9d.	27s. 5d.
Profit per ton milled	1s. 7d.	1s. 5d.
WORKING RESULTS		
Working revenue	£558,020	£561,567
Working costs	529,537	533,608
Working profit	£28,483	£27,959

During the quarter the East Reduction Plant was closed down and all tonnage is now being milled at the West Reduction Plant, the milling capacity of which is approximately 105,000 tons per month.

The estimated working profit for the year ended 31st December, 1958, was £115,500 (1957—£99,397).

TAXATION AND GOVERNMENT'S SHARE OF PROFITS—Estimated liability for the year ended 31st December, 1958—£21,650.

CAPITAL EXPENDITURE Nil Nil
No capital expenditure was incurred during the year ended 31st December, 1958.

DIVIDEND—Dividend No. 70 of 4½d. per share was declared payable to members registered in the books of the Company on the 31st December, 1958, and to persons presenting the relevant coupons detached from Share Warrants to Bearer.

DEVELOPMENT

Total Development—feet	4,170	4,090
Sampled		
Feet	3,280	3,345
Average gold value—dwt. per ton	10.08	10.95
Width—inches	13.29	13.75
Equivalent inch-dwt.	134	151
Payable		
Feet	845	865
Percentage	25.8	25.9
Average gold value—dwt. per ton	22.46	25.90
Width—inches	14.62	14.92
Equivalent inch-dwt.	328	386

ORE RESERVES 1958—Payable gold ore reserve as at the end of 1958 was estimated at 1,510,000 tons of an average value of 4.39 dwt. per ton over a stoping width of 41.96 inches.

1957—Payable gold ore reserve as at the end of 1957 was estimated at 1,965,000 tons of an average value of 4.29 dwt. per ton over a stoping width of 42.52 inches.

BRAKPAN MINES, LIMITED

ISSUED CAPITAL (In shares of 5s. each) £1,150,000

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold		
Tons milled	377,000	375,000
Ounces fine	50,008	49,199
Yield per ton—dwt.	2.65	2.62
Cost per ounce	236s. 11d.	235s. 5d.
Revenue per ton milled	33s. 2d.	32s. 11d.
Cost per ton milled	31s. 5d.	30s. 11d.
Profit per ton milled	1s. 9d.	2s. 0d.
WORKING RESULTS		
Working revenue	£625,922	£616,605
Working costs	592,289	579,173
Working profit	£33,633	£37,432

The estimated working profit for the year ended 31st December, 1958, was £154,000. (1957—£181,755.)

TAXATION AND GOVERNMENT'S SHARE OF PROFIT—Estimated liability for the year ended 31st December, 1958—£16,100.

CAPITAL EXPENDITURE Nil Nil
The total net expenditure for the year ended 31st December, 1958, was £3,623.

DIVIDEND—Dividend No. 92 of 6d. per share was declared payable to members registered in the books of the Company on the 31st December, 1958, and to persons presenting the relevant coupons detached from Share Warrants to Bearer.

DEVELOPMENT

Total development—feet	7,245	8,093
Sampled		
Feet	4,715	5,575
Average gold value—dwt. per ton	3.10	3.42
Width—inches	69.25	70.24
Equivalent inch-dwt.	215	240
Payable		
Feet	915	1,415
Percentage	19.4	25.4
Average gold value—dwt. per ton	9.99	11.20
Width—inches	70.33	56.86
Equivalent inch-dwt.	703	637

ORE RESERVES 1958—Payable gold ore reserve as at the end of 1958 was estimated at 1,940,000 tons of an average value of 4.85 dwt. per ton over a stoping width of 52.81 inches.

1957—Payable gold ore reserve as at the end of 1957 was estimated at 2,366,900 tons of an average value of 4.99 dwt. per ton over a stoping width of 50.98 inches.

THE SOUTH AFRICAN LAND AND EXPLORATION COMPANY, LIMITED

ISSUED CAPITAL (In shares of 3s. 6d. each) £433,125

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold		
Tons milled	275,000	274,500
Ounces fine	57,510	56,717
Yield per ton—dwt.	4.18	4.13
Cost per ounce	191s. 11d.	191s. 0d.
Revenue per ton milled	52s. 4d.	51s. 8d.
Cost per ton milled	40s. 2d.	39s. 5d.
Profit per ton milled	12s. 2d.	12s. 3d.
WORKING RESULTS		
Working revenue	£719,363	£709,322
Working costs	551,881	541,667
Working profit	£167,482	£167,655

The estimated working profit for the year ended 31st December, 1958, was £654,750. (1957—£725,711).

TAXATION AND GOVERNMENT'S SHARE OF PROFITS—Estimated liability for the year ended 31st December, 1958—£149,300.

CAPITAL EXPENDITURE £64,997 £62,552
The total net expenditure for the year ended 31st December, 1958 was £248,888.

DIVIDEND—Dividend No. 41 of 1s. 6d. per share was declared payable to members registered in the books of the Company on the 31st December, 1958, and to persons presenting the relevant coupons detached from Share Warrants to Bearer.

DEVELOPMENT

Mining Lease Area		
Total Development—feet	4,702	5,640
Sampled		
Feet	2,525	4,240
Average gold value—dwt. per ton	5.16	9.47
Width—inches	27.31	30.72
Equivalent inch-dwt.	141	291
Payable		
Feet	900	2,060
Percentage	35.6	48.6
Average gold value—dwt. per ton	9.77	15.71
Width—inches	30.01	33.45
Equivalent inch-dwt.	293	525
Outside Mining Lease Area (Withok No 7)		
Total Development—feet	7,352	7,170
Sampled		
Feet	2,075	1,925
Average gold value—dwt. per ton	8.53	9.47
Width—inches	18.51	19.95
Equivalent inch-dwt.	158	189
Payable		
Feet	770	600
Percentage	37.1	31.2
Average gold value—dwt. per ton	18.74	24.82
Width—inches	18.35	20.06
Equivalent inch-dwt.	344	498

ORE RESERVES 1958—Payable gold ore reserve as at the end of 1958 was estimated at 3,518,500 tons of an average value of 5.74 dwt. per ton over a stoping width of 44.45 inches.

1957—Payable gold ore reserve as at the end of 1957 was estimated at 3,643,100 tons of an average value of 5.64 dwt. per ton over a stoping width of 42.97 inches

FREE STATE GEDULD MINES, LIMITED

ISSUED CAPITAL (In shares of 5s. each) £2,500,000

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Tons milled	221,500	216,000
Ounces fine	164,334	155,257
Yield per ton—dwt.	14.84	14.38
Cost per ounce	104s. 2d.	108s. 5d.
Revenue per ton milled	185s. 8d.	179s. 11d.
Cost per ton milled	77s. 3d.	77s. 11d.
Profit per ton milled	108s. 5d.	102s. 0d.
WORKING RESULTS		
Working revenue	£2,056,410	£1,943,490
Working costs	855,771	841,441
Working Profit	£1,200,639	£1,102,049

Interest charges for the quarter amounted to £7,331.

No taxation and no share of profit are as yet payable to the Government.

CAPITAL EXPENDITURE

Total expenditure £188,195 £331,246
(Underground development charged to capital—Nil. Previous quarter £4,000).

URANIUM OXIDE SALES QUOTA—The Atomic Energy Board has allocated to the Orange Free State joint uranium production scheme a sales quota of 1,162,420 lb. of uranium oxide for the twelve months ending 31st December, 1959. The uranium grade of the company's residue slimes is uneconomic and the company is thus not an active participant in the joint scheme.

FREE STATE GEDULD MINES, LIMITED—Continued

DEVELOPMENT		
Footage driven	22,775	23,664
Sampled		
Feet	2,650	3,915
Average value—dwt. per ton	251.00	323.82
Width—inches	5.00	4.87
Equivalent inch-dwt.	1,255	1,577
Payable		
Feet	2,415	3,645
Percentage	91.1	93.1
Average value—dwt. per ton	276.01	345.49
Width—inches	4.96	4.88
Equivalent inch-dwt.	1,369	1,686
The results obtained in the vicinity of the individual shafts were:—		
No. 1 Shaft Area		
Sampled		
Feet	1,325	1,485
Average value—dwt. per ton	164.65	168.16
Width—inches	5.29	5.15
Equivalent inch-dwt.	871	866
Payable		
Feet	1,090	1,230
Percentage	82.3	82.8
Average value—dwt. per ton	197.91	197.31
Width—inches	5.26	5.20
Equivalent inch-dwt.	1,041	1,026
No. 2 Shaft Area		
Sampled		
Feet	1,325	2,430
Average value—dwt. per ton	347.98	426.96
Width—inches	4.71	4.71
Equivalent inch-dwt.	1,639	2,011
Payable		
Feet	1,325	2,415
Percentage	100.0	99.4
Average value—dwt. per ton	347.98	429.51
Width—inches	4.71	4.71
Equivalent inch-dwt.	1,639	2,023

SHAFT SINKING—No. 2 Ventilation Shaft. This shaft was sunk 1,303 feet to a depth of 3,703 feet below the collar. Erection of the main fans is in progress.

VAAL REEFS EXPLORATION AND MINING COMPANY, LIMITED

ISSUED CAPITAL (In shares of 5s. each) £2,625,000

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold		
Tons milled	235,500	231,000
Ounces fine	107,153	105,033
Yield per ton—dwt.	9.10	9.09
Cost per ounce	135s. 8d.	136s. 1d.
Revenue per ton milled	113s. 9d.	113s. 10d.
Cost per ton milled	61s. 9d.	61s. 10d.
Profit per ton milled	52s. 0d.	52s. 0d.
Uranium		
Tons treated	238,979	228,406
Uranium oxide produced—lb.	150,012	147,745
Yield per ton treated—lb.	0.628	0.647
WORKING RESULTS		
Gold—Working revenue	£1,339,654	£1,314,934
—Working costs	726,896	714,573
—Working profit	£612,758	£600,361
Uranium—Working profit from sales of uranium oxide (estimated)	411,000	426,000
Total Working Profit	£1,023,758	£1,026,361

Uranium oxide sold during the six months ended 31st December, 1958—285,945 lb.

The estimated working profit for the year ended 31st December, 1958, was £3,881,300. (1957—£3,393,012).

No taxation and no share of profits are as yet payable to the Government.

URANIUM PLANT LOANS

Quarterly instalment, comprising redemption and interest £70,158 £70,158

CAPITAL EXPENDITURE £248,818 £243,680

Underground development charged to capital expenditure and included in the above (£17,000) (£27,000)

The total net expenditure for the year ended 31st December, 1958, was £1,158,402.

DIVIDEND—Dividend No. 5 of 2s. 0d. per share was declared payable to members registered in the books of the Company on the 31st December, 1958.

URANIUM OXIDE SALES QUOTA—The Atomic Energy Board has allocated to the Company a sales quota of 570,280 lb. of uranium oxide for the year ending 31st December, 1959.

DEVELOPMENT		
Total development—feet	24,876	26,330
Sampled		
Feet	7,315	7,420
Average gold value—dwt. per ton	69.61	76.26
Width—inches	5.89	5.77
Equivalent inch-dwt.	410	440
Payable (gold)		
Feet	5,460	5,535
Percentage	74.6	74.6
Average gold value—dwt. per ton	82.38	96.71
Average uranium oxide value—lb. per ton	6.11	7.09
Width—inches	6.30	5.77
Equivalent inch-dwt.	519	558
Equivalent inch-lb.	38.48	40.90

ORE RESERVES 1958—Payable gold ore reserve as at the end of 1958 was estimated at 2,281,000 tons of an average value of 9.42 dwt. gold per ton and 0.763 lb. uranium oxide per ton over a stoping width of 39.95 inches.

1957—Payable gold ore reserve as at the end of 1957 was estimated at 1,813,000 tons of an average value of 10.03 dwt. gold per ton and 0.841 lb. uranium oxide per ton over a stoping width of 39.54 inches.

Continued

WESTERN HOLDINGS LIMITED

ISSUED CAPITAL (In shares of 5s. each) £1,874,094

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Tons milled	296,000	300,000
Ounces fine	173,112	168,863
Yield per ton—dwt.	11.70	11.26
Cost per ounce	99s. 7d.	102s. 4d.
Revenue per ton milled	146s. 4d.	140s. 10d.
Cost per ton milled	58s. 3d.	57s. 7d.
Profit per ton milled	88s. 1d.	83s. 3d.
WORKING RESULTS		
Working revenue	£2,165,301	£2,113,337
Working costs	861,952	864,296
Working profit	£1,303,349	£1,249,041

Interest charges for the quarter amounted to £6,152.

No taxation and no share of profit are as yet payable to the Government.

CAPITAL EXPENDITURE £183,621 £292,039

URANIUM OXIDE SALES QUOTA—The Atomic Energy Board has allocated to the Orange Free State joint uranium production scheme a sales quota of 1,162,420 lb. of uranium oxide for the twelve months ending 31st December, 1959. The uranium grade of the company's residue slimes is uneconomic and the company is thus not an active participant in the joint scheme.

DEVELOPMENT		
Footage driven	24,104	23,343
Sampled		
Feet	3,610	4,190
Average value—dwt. per ton	176.25	249.56
Width—inches	4.91	4.78
Equivalent inch-dwt.	865	1,193
Payable		
Feet	3,255	3,710
Percentage	90.2	88.5
Average value—dwt. per ton	198.06	273.72
Width—inches	4.80	4.89
Equivalent inch-dwt.	951	1,338

SHAFT SINKING—No. 3 Circular Shaft System: The main fans have been commissioned and development is now in progress.

WELKOM GOLD MINING COMPANY, LIMITED

ISSUED CAPITAL (In shares of 5s. each) £3,062,500

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold		
Tons milled	270,000	274,000
Ounces fine	81,387	81,345
Yield per ton—dwt.	6.03	5.94
Cost per ounce	193s. 2d.	192s. 8d.
Revenue per ton milled	75s. 5d.	74s. 4d.
Cost per ton milled	58s. 3d.	57s. 2d.
Profit per ton milled	17s. 2d.	17s. 2d.
Uranium (Joint Production Scheme)		
Tonnage apportioned to this company	238,920	218,034
Lb. apportioned	72,322	59,849
Yield per ton on lb. apportioned	0.303	0.274
WORKING RESULTS		
Gold—Working revenue	£1,018,283	£1,019,371
—Working costs	786,207	783,738
—Working profit	232,076	235,633
Uranium—Working profit from sales of uranium oxide (estimated)	180,000	166,000
Total Working Profit	£412,076	£401,633

Uranium oxide sold during the six months ended 31st December, 1958—123,634 lb.
Interest charges for the quarter (excluding interest on uranium loans) amounted to £48,149.

No taxation and no share of profit are as yet payable to the Government.

LOAN REPAYMENTS

Debentures
5 per cent debentures of a nominal value of £60,300 were purchased by the company at a cost of £59,093.

Uranium Loans

Quarterly instalment comprising redemption and interest

CAPITAL EXPENDITURE		
Gold	£197,039	£310,656
Uranium	4,390	199
	201,429	310,855
Add: Contribution towards capital cost of President Steyn uranium plant	23,054	22,280
	224,483	333,135
Less: Recoupments from participants in the joint uranium production scheme towards the capital cost of the Welkom uranium plant	83,419	84,402
Net Total	£141,064	£248,733

WELKOM GOLD MINING COMPANY, LIMITED

—Continued

URANIUM OXIDE SALES QUOTA—The Atomic Energy Board has allocated to the Orange Free State joint uranium production scheme, in which this company is an active participant, a sales quota of 1,162,420 lb. of uranium oxide for the twelve months ending 31st December, 1959.

DEVELOPMENT

Footage driven	21,546	19,435
Sampled		
Feet	5,495	6,630
Average gold value—dwt. per ton	39.55	44.82
Width—inches	7.07	8.31
Equivalent inch-dwt.	280	372
Payable (gold)		
Feet	3,655	4,805
Percentage	66.5	72.5
Average gold value—dwt. per ton	50.56	53.55
Average uranium oxide value—lb. per ton	2.71	3.00
Width—inches	7.57	9.15
Equivalent inch-dwt.	383	490
Equivalent inch-lb.	20.49	27.46

SHAFT SINKING

No. 1 Shaft. The shaft was sunk 115 feet to a depth of 4,591 feet and development of the ore-pass system is continuing; excavations on the loading station have been completed.

No. 1 Vertical Ventilation Winze. The main fans have been commissioned. No. 2 Shaft. The shaft was sunk 56 feet to a depth of 3,806 feet below the collar. Excavations for 37 Level station have been completed.

No. 3 Joint Ventilation Shaft System (For the joint account of this company, President Brand and President Steyn Gold Mining companies.)

The ventilation shaft has been stripped and the erection of the main fans is nearing completion.

Development work on behalf of your company has been started from this shaft system.

EAST DAGGAFONTEIN MINES, LIMITED

ISSUED CAPITAL (In shares of 10s. each) £1,865,000

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold		
Tons milled	274,000	281,000
Ounces fine	45,313	46,272
Yield per ton—dwt.	3.31	3.29
Cost per ounce	212s. 11d.	211s. 5d.
Revenue per ton milled	41s. 5d.	41s. 3d.
Cost per ton milled	35s. 3d.	34s. 10d.
Profit per ton milled	6s. 2d.	6s. 5d.
WORKING RESULTS		
Working revenue	£566,709	£579,103
Working costs	482,485	489,075
Working profit	£84,224	£90,028

The estimated working profit for the year ended 31st December, 1958, was £349,200. (1957—£413,813).

TAXATION AND GOVERNMENT'S SHARE OF PROFITS—Estimated liability for the year ended 31st December, 1958—£131,400.

CAPITAL EXPENDITURE £213 £2,018
The total net expenditure for the year ended 31st December, 1958 was £2,231.

DIVIDEND—Dividend No. 38 of 7½d. per share was declared payable to members registered in the books of the company on the 31st December, 1958.

DEVELOPMENT

Main Reef Leader		
Footage driven	1,489	1,667
Sampled		
Feet	1,185	1,380
Average gold value—dwt. per ton	7.92	11.04
Width—inches	17.32	10.97
Equivalent inch-dwt.	137	121
Payable		
Feet	575	475
Percentage	48.5	34.4
Average gold value—dwt. per ton	11.22	18.97
Width—inches	18.77	12.61
Equivalent inch-dwt.	211	239
Kimberley Reef		
Footage driven	3,592	4,016
Sampled		
Feet	3,030	3,550
Average gold value—dwt. per ton	48.53	34.76
Width—inches	4.85	4.64
Equivalent inch-dwt.	235	161
Payable		
Feet	1,275	1,275
Percentage	42.1	35.9
Average gold value—dwt. per ton	73.25	61.72
Width—inches	6.86	6.38
Equivalent inch-dwt.	502	394

ORE RESERVES 1958—Payable gold ore reserve as at the end of 1958 was estimated at 4,597,000 tons of an average value of 4.51 dwt. per ton over a stopping width of 36.61 inches.

On the Kimberley reef horizon the reserve amounted to 1,732,000 tons having a value of 5.73 dwt. per ton over a stopping width of 36.72 inches. This tonnage is included in the total of 4,597,000 referred to above.

1957—Payable gold ore reserve as at the end of 1957 was estimated at 4,686,000 tons of an average value of 4.41 dwt. per ton over a stopping width of 36.64 inches.

On the Kimberley reef horizon the reserve amounted to 1,657,000 tons having a value of 5.72 dwt. per ton over a stopping width of 36.74 inches. This tonnage is included in the total of 4,686,000 referred to above.

PRESIDENT BRAND GOLD MINING COMPANY, LIMITED

ISSUED CAPITAL (In units of stock of 5s. each) £3,510,000

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold		
Tons milled	290,000	292,000
Ounces fine	217,294	215,275
Yield per ton—dwt.	14.99	14.74
Cost per ounce	84s. 1d.	83s. 11d.
Revenue per ton milled	187s. 9d.	184s. 7d.
Cost per ton milled	63s. 0d.	61s. 11d.
Profit per ton milled	124s. 9d.	122s. 8d.
Uranium (Joint production scheme)		
Tonnage apportioned to this company	234,430	218,031
Lb. apportioned	65,261	54,723
Yield per ton on lb. apportioned	0.278	0.251
WORKING RESULTS		
Gold—Working revenue	£2,722,382	£2,695,181
—Working costs	913,302	903,613
—Working profit	1,809,080	1,791,568
Uranium—working profit from sales of uranium oxide (estimated)	147,000	126,000
Total Working Profit	£1,956,080	£1,917,568

Uranium oxide sold during the six months ended 31st December, 1958—111,568 lb.

Interest charges for the quarter amounted to £5,051.

TAXATION—Estimated liability for the three months ended 31st December, 1958—£794,450.

No share of profit is as yet payable to the Government.

CAPITAL EXPENDITURE

Gold	£410,880	£519,086
Uranium		
Contribution towards capital cost of President Steyn uranium plant	23,055	22,302
Contribution towards capital cost of Welkom uranium plant	23,961	23,234
Total	£457,896	£564,622

URANIUM OXIDE SALES QUOTA—The Atomic Energy Board has allocated to the Orange Free State joint uranium production scheme, in which this company is an active participant, a sales quota of 1,162,420 lb. of uranium oxide for the twelve months ending 31st December, 1959.

DEVELOPMENT

Footage driven	16,889	16,611
Sampled		
Feet	1,745	2,035
Average gold value—dwt. per ton	100.75	110.37
Width—inches	8.63	9.26
Equivalent inch-dwt.	869	1,022
Payable (gold)		
Feet	1,400	1,500
Percentage	80.2	73.7
Average gold value—dwt. per ton	131.59	153.48
Average uranium oxide value—lb. per ton	1.93	2.09
Width—inches	8.11	8.86
Equivalent inch-dwt.	1,067	1,360
Equivalent inch-lb.	15.69	18.51

BOREHOLE RESULT—As announced in the Press on 22nd October, 1958, borehole SP.6, which was drilled 2,650 feet to the east of No. 2 Shaft for geological information in connection with the depth of the reef adjacent to the Arrarat Fault, intersected the reef at a depth of 7,242 feet below surface. An incomplete exposure was obtained averaging 29.94 dwt. over a width of 36 inches, equivalent to 1,078 inch-dwt. Uranium values were 0.407 lb. over 36 inches, equivalent to 14.652 inch-lb.

A deflection was made and a complete exposure was obtained at a depth of 7,240 feet, with the following values: 173.15 dwt. over a width of 19.5 inches, equivalent to 3.376 inch-dwt. Uranium values were 2.074 lb. over a width of 19.5 inches equivalent to 40.443 inch-lb.

SHAFT SINKING

- No. 2 Ventilation Shaft. The shaft has been stripped and the construction of the eaves is in progress.
- No. 2 Sub-Vertical Shaft System:
 - 18 ft. Diameter Ventilation Shaft: Development work ancillary to the shaft system is in progress.
 - 24 ft. Diameter Shaft: This shaft was sunk 370 feet to a depth of 2,760 feet below 46 Level. Station excavations on 72 Level have been completed and the excavation of the conveyor crosscut is in progress.
- No. 3 Shaft System:
 - 20 ft. Diameter Ventilation Shaft: The shaft collar has been completed and the erection of sinking hoists is in progress.
 - 24 ft. Diameter Shaft: The shaft collar and the erection of the permanent man hoist have been completed: the installation of the stage hoist is in progress.
 - No. 3 Joint Ventilation Shaft System: (For the joint account of this company, President Steyn and Welkom Gold Mining companies).

The ventilation shaft has been stripped and the erection of the main fans is nearing completion.

PRESIDENT STEYN GOLD MINING COMPANY, LIMITED

ISSUED CAPITAL (In shares of 5s. each) £3,500,000

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold		
Tons milled	271,500	296,000
Ounces fine	106,071	113,047
Yield per ton—dwt.	7.81	7.64
Cost per ounce	149s. 5d.	143s. 4d.
Revenue per ton milled	97s. 9d.	95s. 8d.
Cost per ton milled	58s. 4d.	54s. 9d.
Profit per ton milled	39s. 5d.	40s. 11d.
Uranium (Joint Production Scheme)		
Tonnage apportioned to this company	245,791	218,034
Lb. apportioned	77,467	63,942
Yield per ton on lb. apportioned	0.315	0.293
WORKING RESULTS		
Gold—Working revenue	£1,327,453	£1,416,385
—Working costs	792,259	809,943
—Working profit	£535,194	£606,442
Uranium—Working profit from sales of uranium oxide (estimated)	187,000	178,000
Total Working Profit	£722,194	£784,442

Uranium oxide sold during the six months ended 31st December, 1958—132,429 lb.

Interest charges for the quarter (excluding interest on uranium loans) amounted to £36,447.

No taxation and no share of profit are as yet payable to the Government.

URANIUM LOANS

Quarterly instalment, comprising redemption and interest

	£122,887	£122,887
CAPITAL EXPENDITURE		
Gold	108,186	94,528
Uranium	153	678
	108,339	95,206
Add: Contributions towards capital cost of Welkom uranium plant	23,961	23,212
	132,300	118,418
Less: Recoupments from participants in the joint uranium production scheme towards the capital cost of the President Steyn uranium plant	80,263	81,017
Net Total	£52,037	£37,401

URANIUM OXIDE SALES QUOTA—The Atomic Energy Board has allocated to the Orange Free State joint uranium production scheme, in which this company is an active participant, a sales quota of 1,162,420 lb. of uranium oxide for the twelve months ending 31st December, 1959.

DEVELOPMENT

Footage driven	15,686	16,884
Basal Reef		
Sampled		
Feet	3,050	2,900
Average gold value—dwt. per ton	46.59	33.91
Width—inches	9.78	11.88
Equivalent inch-dwt.	456	403
Payable (gold)		
Feet	2,820	2,520
Percentage	92.5	86.9
Average gold value—dwt. per ton	48.43	37.73
Average uranium oxide value—lb. per ton	1.65	1.11
Width—inches	9.98	11.89
Equivalent inch-dwt.	483	449
Equivalent inch-lb.	16.46	13.21
Leader Reef		
Sampled		
Feet	45	435
Average gold value—dwt. per ton	1.96	2.72
Width—inches	54.44	35.64
Equivalent inch-dwt.	107	97
Payable (gold)		
Feet	Nil	40
Percentage	—	9.2
Average gold value—dwt. per ton	—	6.78
Average uranium oxide value—lb. per ton	—	0.77
Width—inches	—	43.38
Equivalent inch-dwt.	—	294
Equivalent inch-lb.	—	33.19

SHAFT SINKING—No. 3 Shaft System: The construction of the main road, the installation of the air and water mains and power supply is in progress.

No. 3 Joint Ventilation Shaft System (for the joint account of this company, President Brand and Welkom Gold Mining companies).

The ventilation shaft has been stripped and the erection of the main fans is nearing completion.

London Office:
40 Holborn Viaduct, E.C.1.
15th January, 1959.

For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED.
W. C. SQUIRE, Joint London Secretary.

was greatly increased. So, consequently, was the importance of keeping dollar costs competitive in foreign markets. It is difficult to judge how far high production costs have actually been an obstacle to exports, at any rate in the capital goods industries, in view of the large amount of dollar purchases which continue to be made under the terms of the foreign aid programmes, which ensure that the loans shall be largely or wholly spent in the States.

Thus in the Budget which the President sent to Congress on January 20, the foreign economic aid appropriation is up by 5 per cent although allowing for cuts in military appropriations, foreign aid as a whole is cut by 11 per cent (\$380,000,000). Small-scale changes of this sort make little difference to the gold outflow position, especially as a large part of the aid funds find their way back to the States by way of capital goods purchases. On the other hand, continued aid on this scale may make further inflation less painful and therefore more attractive.

Even before the Democrat majorities in Congress get to work on the Budget, it is clear that it is already precariously balanced, and this, coupled with the upswing in industrial activity, suggests that the inflationary process is almost sure to continue. Moreover, even if inflation continues at the same proportionate rate in other countries as in the States, the gap in the hourly wage rate will continue to rise in absolute figures. In this event, the value of the dollar must become progressively more unrealistic.

It's What They Think That Matters

However, in terms of the immediate outlook for Kaffir prices, what matters is not so much whether a flight from the dollar does eventuate, as whether a sufficiently large number of investors—both in the States and outside—believe that such a development, if not certain, is at least sufficiently probable to justify a measure of hedging into gold shares or bullion. The indications are that a growing body of investors are acting on this assumption.

The Bank of Nova Scotia has found it worth while to provide Americans with facilities for buying gold certificates convertible to bullion on demand. At about the same time a Canadian firm launched a plan to sell gold bars on a 3 per cent margin, and now it is reported that bullion dealings are to commence on the Toronto Stock Exchange on February 3. Equally, there seems to be no doubt that much of the buying pressure which has accounted for the continued rise in Kaffirs—especially in the new mines and investment houses—reflects a switching out of dollar stocks.

U.S. Buying Could Swap the Market

In this connection, it is important to remember that in a relatively small market such as Kaffirs, and especially when stock is so tightly held, even very minor switching from the vast dollar stock markets can have a substantial impact on Kaffir prices. Indeed, the switching which has already taken place, both by American and foreign holders of dollar stocks, is probably enough in itself to account for the anomaly of gold share prices rising side by side with the substantial increases which have continued to occur in American industrial stocks.

The great bulk of ordinary American investors do not, of course, think internationally in their market operations, and for most of them a decision to get

out of industrial ordinaries would probably result in their going liquid rather than switching into foreign investments. Even so, the small minority of sophisticated operators, who are in a position to make an assessment of foreign markets, control sufficient funds to make it at least possible that, on fears of dollar devaluation, switching might gradually develop on a scale where it would be beyond the resources of the mining houses to prevent Kaffir prices from rising alarmingly. In such a situation the decision as to precisely when to take a profit could become crucial.

Significantly, Mr. Engelhard has, on more than one occasion recently, expressed the view in Johannesburg that the Kaffir market could rise to a 6 per cent basis for the newer high-grade mines, presumably on ultimate gold or dollar price expectations. He has also referred to the possibility of a further American flotation on the lines of the American-South African Investment Co., although it does not necessarily follow that such a flotation would be under the same auspices.

Incidentally, we understand that the original A.S.A.I.C. issue, which for a time after the flotation appeared to be hanging rather heavily on the underwriters' hands, has now been satisfactorily marketed and stands at a premium. Moreover, the A.S.A.I.C. has already begun to come into the market as a purchaser. In this connection, it will be recalled that the company's policy of retaining the bulk of dividend earnings for reinvestment is expected to make about £250,000 per annum available for further investment.

A Safety Valve

One consequence of any further intensification of buying pressure on the Kaffir market may well be for the opportunity to be taken to advance the date of some of the additional fund-raising which will still be required. This would in itself take some of the steam out of the market.

Already we have in the last few months seen Zandpan, Western Deepes and West Wits in the market, and among other companies which must sooner or later come to the market for further finance are Loraine, Welkom and F.S. Saaiplaas, not to mention the second round for Zandpan and Western Deepes. Beyond this, there is the likelihood of two or three new mines coming on the market at an opportune time.

The U Factor

Aside from general economic factors, which as we have endeavoured to show are at present paramount in any assessment of Kaffir shares, we have still to review the other forces which may be at work to modify eventual earnings estimates. One of the more important of these is uranium.

The guesswork has now largely been taken out of uranium earnings for the period of existing contracts by virtue of the ceiling which has been placed on purchases by the Combined Development Agency and the subsequent allocation of quotas within this total among producers. As maximum quota production is already being achieved, uranium earnings per share can now be forecast with some accuracy up to the end of existing contracts, which expire at various dates between 1963 and 1967.

The only factors which seem likely to falsify such estimates for uranium are,

on the one hand, the impact of rising costs, and on the other, the extent to which producers are successful in making additional sales over and above their C.D.A. contracts. In cases where both these factors operate, they are likely, to some extent, to be self-cancelling.

In an article on page 119 of this week's issue, not of this Supplement, entitled, "Uranium: Surplus or Deficit?", a study has been made of the likely supply-demand picture in the period after the expiry of the various government contracts which have given rise to the fantastically rapid growth of the uranium mining industry in such countries as South Africa, Canada, Australia, and, in the short term, in the United States. In reading this article, every allowance must be made for the extreme difficulty of assessing the factors involved with any precision, but even so the conclusions which emerge seem to provide a more convincing yardstick than any we have yet had.

The conclusion drawn is that by the end of 1964 Free World stocks of uranium oxide may be equivalent to between six months and a year's requirements, but that this surplus should be fully absorbed by expanding commercial demand by 1970. Beyond 1970, the rapidity with which demand would grow is likely to be influenced by the rapidity with which technical advances in the efficiency of utilization would retard an expansion in demand, which otherwise, on the basis of present efficiencies, seems likely to be rapid.

This picture is reassuring in that while it points to a possible temporary pressure on market prices at the end of existing contracts, yet the governments of the many industrial countries which plan to rely on atomic energy will clearly be confronted with the necessity of keeping the existing uranium producers in being and will have to offer prices which will maintain production at (say) 1964 levels if the supply-demand picture is to break even by 1970.

Costs and Labour Supply

Aside from uranium, the principal factors bearing on the earnings prospects (both current and eventual) of the established producers remain the twin problems of rising costs and labour availability. On these subjects there is little to add to what we said here in our last Supplement, beyond noting that the measures to liberalize credit in South Africa have so far been inadequate to bring about the intended re-expansion of secondary industry. In this connection, the caution which Dr. Dönges, the new Finance Minister, is showing in his approach to any further pump priming gives some support to the view that, despite the notable improvement in South Africa's gold and foreign exchange position (from a low point of £72,000,000 in the middle of last May to about £110,000,000 at the end of the year), it may prove difficult to sustain this in face of a deteriorating export prospect, especially if at the same time relaxations in financial controls were to give a renewed boost to imports.

Nevertheless, it clearly remains the intention of the South African Government to re-stimulate secondary industry, so that as and when this process gathers momentum the repercussions of the consequential pressures on wages and labour availabilities are certain to be felt by the mining industry.

(Continued on page 17)

UNION CORPORATION, LIMITED.

Incorporated in the Union of South Africa

Directors' Reports of Gold Mining Companies Incorporated in the Union of South Africa, for Quarter ended
31st December, 1958

London Office: Princes House, 95, Gresham Street, London, E.C.2.

EAST GEDULD MINES, LTD.

ISSUED CAPITAL £1,000,000 STOCK IN UNITS OF 4s. EACH

Tons Milled .. 396,000 Gold Produced (in oz. fine) .. 121,786
Yield per Ton Milled (dwt.) .. 6.15

		Per Ton Milled
Working Revenue	£1,524,667	s. d. 77 0
Working Costs	679,938	34 4
WORKING PROFIT	844,729	42 8

Sundry Revenue, including Dividends, less Sundry
Expenditure .. 52,847

TOTAL PROFIT (subject to Taxation and Govern-
ment's share) .. £897,576

Estimated Taxation and Government's share of profit .. £444,800

Capital Expenditure .. Nil

PAYABLE DEVELOPMENT

DEVELOPMENT:

	Footage driven	Footage sampled	Footage payable	%	Av. value dwt.	Width ins.	Inch/ dwt.
Main Reef	2,168	1,705	930	55	12.6	19	240
Kimberley Reef	760	605	260	43	25.8	6	155

DIVIDEND: On 12th December, 1958, Dividend No. 54 of 1s. 11d. per unit of stock was declared payable to stockholders registered at 31st December, 1958. Dividend warrants will be posted about 5th February, 1959.

PAYABLE ORE RESERVES:

	Tons	Average value dwt.	Estimated stoping width—ins.
Ore Reserves at 31.12.58	8,500,000	6.0	52

GEDULD PROPRIETARY MINES, LTD.

ISSUED CAPITAL .. £1,460,857 IN SHARES OF £1 EACH

Tons Milled .. 222,000 Gold Produced (in oz. fine) .. 38,576
Yield per Ton Milled (dwt.) .. 3.48

		Per Ton Milled
Working Revenue	£483,082	s. d. 43 6
Working Costs	434,205	39 1
WORKING PROFIT	48,877	4 5

Sundry Revenue, including Dividends, less Sundry
Expenditure .. 353,319

TOTAL PROFIT (subject to taxation) .. £402,196

Estimated Taxation .. £3,000

Capital Expenditure .. £ Nil

PAYABLE DEVELOPMENT

	Footage driven	Footage sampled	Footage payable	%	Av. value dwt.	Width ins.	Inch/ dwt.
Black Reef	1,847	1,500	840	56	8.7	45	390

DIVIDEND: On 12th December, 1958, Dividend No. 88 of 6s. 3d. per share was declared payable to shareholders registered at 31st December, 1958. Dividend warrants will be posted about 5th February, 1959.

PAYABLE ORE RESERVES:

	Tons	Average value dwt.	Estimated stoping width—ins.
Ore Reserves at 31.12.58	500,000	3.8	58

ST. HELENA GOLD MINES, LTD.

ISSUED CAPITAL £4,812,500 IN SHARES OF 10s. EACH

Tons Milled .. 403,000 Gold Produced (in oz. fine) .. 116,817
Yield per Ton Milled (dwt.) .. 5.80

		Per Ton Milled
Working Revenue	£1,461,513	s. d. 72 6
Working Costs	839,464	41 8
WORKING PROFIT	622,049	30 10

Sundry Expenditure less Sundry Revenue .. 9,207

TOTAL PROFIT (subject to Taxation and Govern-
ment's share) .. £612,842

Estimated Taxation and Government's share of profit .. £ Nil

Capital Expenditure .. £317,624

PAYABLE DEVELOPMENT

DEVELOPMENT:

	Footage driven	Footage sampled	Footage payable	%	Av. value dwt.	Width ins.	Inch/ dwt.
Basal Reef	19,964	6,995	3,955	57	27.1	22	596

In addition, 1,150 feet of station cutting was accomplished during the quarter, all at No. 2 Shaft.

NO. 7 SHAFT: The collar, hoist foundations and temporary headgear have been completed and work is proceeding on the erection of the necessary buildings. At the year-end the shaft had been sunk to a depth of 40 feet.

Two cementation boreholes are being drilled and pre-cementation of the shaft area is in progress.

PAYABLE ORE RESERVES:

	Tons	Average value dwt.	Estimated stoping width—ins.
Ore Reserves at 31.12.58	3,400,000	6.5	55

VAN DYK CONSOLIDATED MINES, LTD.

ISSUED CAPITAL £2,143,650 IN SHARES OF 7s. 9d. EACH

Tons Milled .. 226,000 Gold Produced (in oz. fine) .. 41,886
Yield per Ton Milled (dwt.) .. 3.71

		Per Ton Milled
Working Revenue	£524,127	s. d. 46 5
Working Costs	456,734	40 5
WORKING PROFIT	67,393	6 0

Sundry Revenue less Sundry Expenditure .. 4,715

TOTAL PROFIT (subject to Taxation and Govern-
ment's share) .. £72,108

Estimated Taxation and Government's share of profit .. £ Nil

Capital Expenditure .. £ Nil

PAYABLE DEVELOPMENT

	Footage driven	Footage sampled	Footage payable	%	Av. value dwt.	Width ins.	Inch/ dwt.
Main Reef—all shafts	2,878	2,105	700	33	6.6	50	328

No. 5 Shaft area included above .. 403 380 135 36 8.3 37 306

Kimberley Reef .. 1,598 1,240 80 6 2.5 93 237

PAYABLE ORE RESERVES:

	Tons	Average value dwt.	Estimated stoping width—ins.
Ore Reserves at 31.12.58	300,000	4.0	48

WINKELHAAK MINES, LTD.

ISSUED CAPITAL 12,000,000 shares of 10s. EACH

OCTOBER/NOVEMBER

Capital Expenditure for this period amounted to £491,514. £365,029 was received from the sale of gold derived from trial milling.

DECEMBER

The results were as follows:—

Tons Milled .. 69,000 Gold Produced (in oz. fine) .. 15,498
Yield per Ton Milled (dwt.) .. 4.492

		Per Ton Milled
Working Revenue	£194,221	s. d. 56 4
Working Costs	178,166	51 8
WORKING PROFIT	16,055	4 8

Sundry Expenditure less Sundry Revenue .. 6,760

TOTAL PROFIT (subject to Taxation and Govern-
ment's share) .. £9,295

Estimated Taxation and Government's share of profit .. £ Nil

Capital Expenditure .. £87,110

including £19,468 spent on excess development footage.

DEVELOPMENT FOR QUARTER:

	Footage driven	Footage sampled	Footage payable	%	Av. value dwt.	Width ins.	Inch/ dwt.
Kimberley Reef	13,204	4,765	3,125	66	14.2	34	482

PAYABLE ORE RESERVES:

	Tons	Average value dwt.	Estimated stoping width—ins.
Ore Reserves at 31.12.58	1,200,000	5.7	33.1

SURFACE DRILLING:

Borehole W.S. 23, drilled approximately 5,500 feet south-west of No. 1 Shaft in the area over which the Company has acquired a prospecting contract, intersected the Kimberley Reef at a depth of 1,425 feet. Core recovery was incomplete in the original intersection and gave a value of 11.85 dwt. over 18.4 inches, equivalent to 218 inch-dwt. Two further intersections, of which the first gave complete and the second incomplete core recovery, gave respectively 945 inch-dwt. and 663 inch-dwt.

Borehole W.S. 24, drilled in the same area and approximately 2,000 feet west of Borehole W.S. 23, intersected the Kimberley Reef at 1,426 feet giving a value of 2.97 dwt. over 102.6 inches, equivalent to 305 inch-dwt., and 4.92 dwt. over 100.7 inches, equivalent to 495 inch-dwt., in the original intersection and a deflection respectively, in both cases core recovery being complete.

EVANDER TOWNSHIP:

Capital Expenditure by this Company for the quarter amounted to £8,505.

MARIEVALE CONSOLIDATED MINES, LTD.

ISSUED CAPITAL £2,250,000 IN SHARES OF 10s. EACH

Tons Milled	244,000	Gold Produced (in oz. fine)	62,977
Yield per Ton Milled (dwt.)	5.16		
Working Revenue	£788,754	Per Ton Milled	s. d.
Working Costs	489,656		64 8
WORKING PROFIT	299,098		40 2
Sundry Revenue less Sundry Expenditure	3,388		24 6
TOTAL PROFIT (subject to Taxation and Government's share)	£302,486		
Estimated Taxation and Government's share of profit	£104,800		
Capital Expenditure	£71,159		

DEVELOPMENT:		Footage driven	Footage sampled	Footage payable	Av. value dwt.	Width ins.	Inch/ins. dwt.
Main Reef	3,007	1,735	530	31	20.2	13	262
Kimberley Reef	2,922	2,560	985	38	11.4	19	217

DIVIDEND: On 12th December, 1958, Dividend No. 37 of 1s. 5d. per share was declared payable to shareholders registered at 31st December, 1958. Dividend Warrants will be posted about 5th February, 1959.

PAYABLE ORE RESERVES:

Ore Reserves at 31.12.58:	Tons	Average value dwt.	Estimated stoping width—ins.
Main Reef	4,000,000	5.4	46
Kimberley Reef	1,300,000	4.8	46

In the case of each of the above companies, discounts have been applied to development values to conform with adjustments which are necessary in estimating the ore reserves at the year end.

THE GROOTVLEI PROPRIETARY MINES, LTD.

ISSUED CAPITAL £2,859,704 STOCK IN UNITS OF 5s. EACH

Tons Milled	590,000	Gold Produced (in oz. fine)	125,274
Yield per Ton Milled (dwt.)	4.25		
Working Revenue	£1,566,894	Per Ton Milled	s. d.
Working Costs	931,630		53 1
WORKING PROFIT	635,264		31 7
Sundry Revenue less Sundry Expenditure	14,249		21 6
TOTAL PROFIT (subject to Taxation and Government's share)	£649,513		
Estimated Taxation and Government's share of profit	£308,450		
Capital Expenditure	£ Nil		

DEVELOPMENT:		Footage driven	Footage sampled	Footage payable	Av. value dwt.	Width ins.	Inch/ins. dwt.
Main Reef	3,882	3,165	1,560	49	15.0	15	225

DIVIDEND: On 12th December, 1958, Dividend No. 40 of 1s. 3d. per unit of stock was declared payable to stockholders registered at 31st December, 1958. Dividend warrants will be posted about 5th February, 1959.

PAYABLE ORE RESERVES:

Ore Reserves at 31.12.58:	Tons	Average value dwt.	Estimated stoping width—ins.
Main Reef	13,500,000	4.5	48

WITWATERSRAND NIGEL LIMITED

(Incorporated in the Union of South Africa)

REPORT OF THE DIRECTORS

For the Quarter ended 31st December, 1958

PRODUCTION

Tons Milled	52,500	Per Ton Milled	s. d.
Yield (in oz. fine)	12,801		60 11
Yield per Ton Milled (dwt.)	4.877		54 11
Working Revenue	£160,055		6 0
Working Costs	144,214		
Working Profit	15,841		
Add: Sundry Revenue	1,485		
NET PROFIT	£17,326		

(*225s. 4d. per oz. fine)

In addition an amount of £2,599 was received in settlement of insurance claims for loss of profits arising out of plant stoppages in September and October, caused by lightning storms.

CAPITAL EXPENDITURE

The Capital Expenditure for the Quarter amounted to £1,761.

DEVELOPMENT

Development Footage	5,592 feet
Footage on Reef	4,277 feet
Footage Sampled	4,345 feet

The payable reef disclosures were as follows:—

1,390 feet, or 32%, averaging 13.08 dwt. per ton over a width of 19.87 inches, equivalent to 260 inch-dwt.

(No allowance has been made in the above results for adjustments necessary before calculation of the corresponding Ore Reserve.)

By Order of the Board,
E. A. O'CONNOR, London Secretary.London Office: Finsbury Pavement House,
120, Moorgate, London, E.C.2.

22nd January, 1959.

SPAARWATER GOLD MINING CO., LTD.

(Incorporated in the Union of South Africa)

REPORT OF THE DIRECTORS

For the Quarter ended 31st December, 1958

Tons Milled	31,900	Per Ton Milled	s. d.
Total Yield in ounces fine	9,895		77 6
Total Yield per ton (dwt.)	6.204		64 4
Working Revenue	£123,670		
Cost of Mining and Milling	102,609		
Excess of Revenue over cost of Mining and Milling	21,061		13 2
Expenditure on Development	18,416		11 6
Working Profit	2,645		1 8
Expenditure on Capital Account	Nil		
Government Taxes	Nil		

DEVELOPMENT

The total footage advanced during the quarter amounted to 2,839 feet. The footage sampled amounted to 2,200 feet, of which 485 feet equal to 22.0 per cent, proved payable at an average value of 5.9 dwt. per ton over an estimated stoping width of 36.0 inches, equivalent to 212 inch-dwt.

WESTERN SECTION OF MINE

Development in the Western Section continued during the quarter. The footage sampled amounted to 1,445 feet, of which 210 feet, equal to 14.5 per cent, proved payable at an average value of 5.5 dwt. per ton over an estimated stoping width of 36.1 inches, equivalent to 199 inch-dwt.

43 Int. W.15 Haulage reached the pillar on the Western Boundary of the mine on 54 Level in December, 1958, after an advance of 253 feet in hangingwall country for the quarter. During November, 1958, footwall lifting exposed reef in the haulage, of which 20 feet sampled proved payable. Preparatory work on 54 Level layout has been commenced and 54 W.23 Winze was sunk 31 feet towards the boundary in December, 1958; the 25 feet sampled proved to be unpayable.

Development returns show the actual sampling results: adjustments which may be required when estimating ore reserves have not been applied.

APPLICATION FOR PROSPECTING PERMIT

In view of the discovery of more encouraging reef widths and values in the 43 Int. W.15 Haulage in the immediate neighbourhood of the western boundary of the mine, the Directors consider it desirable to continue this haulage, if possible, outside the Company's existing lease area. Permission has been obtained to cross the boundary pillar with this haulage and application has been made for a permit to prospect in the area lying to the west of this Company's western boundary.

ORE RESERVE

The ore reserve fully developed at 31st December, 1958, based on a pay limit calculated to conform approximately to existing conditions in respect of gold price and working costs, is estimated at 263,000 tons averaging 5.8 dwt. per ton over a stoping width of 37.6 inches, equivalent to 218 inch-dwt.

By Order of the Board,
E. A. O'CONNOR, London Secretary.London Office: Finsbury Pavement House,
120, Moorgate, London E.C.2
19th January, 1959.**The Mining Journal
ANNUAL REVIEW — 1959 EDITION**

Summarizes events and statistics of 1958

Ready in May — Price 21/-Orders may be placed through Newsagents or sent direct to:
**THE PUBLISHER, The Mining Journal,
15 Wilson Street, Moorgate, London, E.C.2**

GENERAL MINING & FINANCE CORPORATION, LIMITED

(Incorporated in the Union of South Africa)

GOLD MINING COMPANIES' DIRECTORS' REPORTS FOR THE QUARTER ENDED 31st DECEMBER, 1958

All companies mentioned are incorporated in the Union of South Africa

ELLATON GOLD MINING CO. LTD.

GOLD :					
Ore Milled (tons) ..	94,000	Gold recovered (oz.) ..	22,004		
	Yield per ton (dwt.) ..	4.682			
Working Revenue ..	£ 275,223	Per ton milled ..	58/6.7	Per oz. fine ..	250/1.9
Working Cost ..	180,169		38/4.0		163/9.1
WORKING PROFIT ..	95,054	20/2.7	86/4.8		
URANIUM :					
Tons treated ..		103,571			
Output (lb.) ..		36,420			
Yield per ton (lb.) ..			0.3516		
Uranium Oxide sold (lb.) ..		35,749.5			
Working Profit (subject to adjustment and after deduction of amounts paid in respect of the use of the Stilfontein Plant) ..	61,000				
TOTAL WORKING PROFIT ..	£156,054				
CAPITAL EXPENDITURE (excluding Uranium Plant) ..					
RECOUPMENT DURING THE QUARTER ..					
LOAN REPAYMENTS (Capital and Interest) :					
Uranium ..	£16,112				
Other ..	108,457				
			124,569		
			£124,131		

Capital Expenditure on the Uranium Plant .. Nil
 Amortisation contributions received from other participants in the Uranium Joint Pumping Scheme .. £12,153
DEVELOPMENT—The total footage advanced during the quarter was 1,526 feet. Of this total 623 feet were on reef and 625 feet were sampled, giving the following results :—

Name of Reef	Footage Payable in terms of Gold Content	Per Cent	Reef Channel Width (in.)	Gold Av. value (ton dwt.)	Uranium Av. value (lb./in.)
Vaal Reef	335	53.6	26.2	13.6	356
				1.310	34.31

URANIUM SALES QUOTA: Advice has been received from the Atomic Energy Board, that the uranium sales quota allocated to the Stilfontein Joint Plant for the year ending 31st December, 1959, is 827,560 lbs. of which this Company's share is 123,200 lbs.

BUFFELSFONTEIN GOLD MINING CO. LTD.

GOLD :					
Ore Milled (tons) ..	366,000	Gold recovered (oz.) ..	123,907		
	Yield per ton (dwt.) ..	6.771			
Working Revenue ..	£ 1,550,367	Per ton milled ..	84/ 8.6	Per oz. fine ..	250/3.0
Working Cost ..	987,947		53/11.8		159/5.6
WORKING PROFIT ..	562,420	30/ 8.8	90/9.4		
URANIUM :					
Tons treated from Current Slimes ..		366,000			
Tons treated from Surface Accumulations ..		99,000			
Total tons treated ..		465,000			
Output (lb.) ..		203,697			
Yield per ton (lb.) ..			0.4381		
Uranium Oxide Sold (lb.) ..		192,832			
Working Profit (subject to adjustment) ..	548,000				
ACID :					
WORKING PROFIT ..	57,000				
TOTAL WORKING PROFIT ..	£1,167,420				
CAPITAL EXPENDITURE (excluding Uranium, Pyrite and Acid Plants) ..					
LOAN REPAYMENTS (Capital and Interest) :					
Uranium ..	£119,687				
Acid ..	21,747				
Other ..	105,902				
			247,336		
			£577,305		

Capital Expenditure on the Uranium, Pyrite and Acid Plants, £132,988.
DEVELOPMENT—The total footage advanced for the Quarter was 29,548 feet. Of this total 6,608 feet were on reef and 6,575 feet were sampled, giving the following results :—

Name of Reef	Footage payable in terms of Gold Content	Per Cent	Reef Channel Width (in.)	Gold Av. value (ton dwt.)	Uranium Av. value (lb./in.)
Vaal	6,460	98.3	42.4	16.06	681
				1.042	44.18

SUB-VERTICAL SHAFT—Preparatory work has commenced on the site for the new Sub-Vertical Shaft to be sunk from 13 Level to 23 Level.
URANIUM SALES QUOTA: Advice has been received from the Atomic Energy Board that the Uranium Sales Quota allocated to this Company for the year ending 31st December, 1959, is 767,000 lbs.

DIVIDENDS—On 9th December, 1958, Interim Dividend No. 3 of 1/6d. per share was declared payable to shareholders registered as at 31st December, 1958.

SOUTH ROODEPOORT MAIN REEF AREAS LTD.

WORKING RESULTS					
Ore Milled (tons) ..	89,000	Gold produced (oz. fine) ..	21,015		
	Recovery per ton (dwt.) ..	4.72			
WORKING REVENUE AND EXPENDITURE					
Working Revenue ..	£ 262,314	Per ton milled ..	s. d. 58 11	Per oz. fine ..	s. d. 249 8
Working Costs ..	195,074		43 10		185 8
WORKING PROFIT ..	67,240	15 1	64 0		
Sundry Revenue ..	2,821				
TOTAL PROFIT AT MINE ..	70,061				
Additional Revenue ..	2,779				
TOTAL PROFIT (subject to Taxation) ..	£72,840				

Provision for Taxation .. £28,000
 Capital Expenditure .. £1,308

DEVELOPMENT :					
Footage Sampled	Footage Payable	Percentage	Value (dwt./ton)	Width (in.)	Inch/dwt.
7,356	4,190	1,060	25.3	14.6	22
					321

The above values represent actual results of sampling, no allowance having been made for any reductions which may be considered necessary when compiling the Ore Reserve.

DIVIDEND—Interim Dividend No. 34 of 1 1/4d. per cent (equal to 1 1/4d. per share) was declared payable to all shareholders registered on 31st December, 1958.

STILFONTEIN GOLD MINING CO. LTD.

GOLD :					
Ore Milled (tons) ..	374,000	Gold recovered (oz.) ..	191,139		
	Yield per ton (dwt.) ..	10.221			
Working Revenue ..	£ 2,393,077	Per ton milled ..	127/11.7	Per oz. fine ..	250/ 4.8
Working Cost ..	1,132,008		60/ 6.4		118/ 5.4
WORKING PROFIT ..	1,261,069	67/ 5.3	131/11.4		
URANIUM :					
Tons treated ..		291,300			
Output (lb.) ..		91,774			
Yield per ton (lb.) ..			0.3150		
Uranium Oxide Sold (lb.) ..		86,591.5			
Working Profit (subject to adjustment) ..	233,600				
ACID :					
WORKING PROFIT ..	49,400				
TOTAL WORKING PROFIT ..	£1,544,069				
CAPITAL EXPENDITURE (excluding Uranium and Acid Plants) ..					
LOAN REPAYMENTS (Capital and Interest) :					
Uranium ..	£127,255				
Acid ..	33,501				
Other ..	20,750				
			181,506		
			£1,141,632		

Capital Expenditure on the Uranium and Acid Plants .. £34,355
 Amortisation contributions received from other participants in the Uranium Joint Production Scheme .. £63,072

DEVELOPMENT—The total footage advanced for the Quarter was 18,284 feet. Of this total 3,050 feet were on reef, 4,355 feet were sampled giving the following results :—

Name of Reef	Footage Payable in terms of Gold Content	Per Cent	Reef Channel Width (in.)	Gold Av. value (ton dwt.)	Uranium Av. value (lb./in.)
Vaal Reef	2,960	68.0	4.9	122.9	602
				3.22	15.79

SHAFTS—Margaret Shaft : Following the completion of shaft sinking, work has proceeded satisfactorily on the excavation of stations, pump chambers and ore and waste passes.

The Koepe Winder was commissioned for manual operation in December.

TONI SHAFT—Sinking was continued to a depth of 70 feet below collar. Work on the 3,000 H.P. Winder house was completed and construction of the headgear is nearing completion. The erection of the winders is proceeding satisfactorily.

ORE RESERVES—The Ore Reserves, fully developed at the 31st December, 1958, including only tonnage payable in terms of Gold Content, were as follows :—

		Average Values			
	Average Stope	Gold		Uranium	
Tons	Width (in.)	dwt./ton	inch/dwt.	lb./ton	inch/lb.
4,571,000	40.1	10.07	404	0.317	12.69

URANIUM SALES QUOTA—Advice has been received from the Atomic Energy Board, that the uranium sales quota allocated to the Stilfontein Joint Plant for the year ending 31st December, 1959, is 827,560 lbs., of which this Company's share is 343,760 lbs.

DIVIDENDS—On 9th December, 1958, a final dividend of 1/10d. per share was declared payable to shareholders registered on 31st December, 1958, making a total distribution of 3/9d. per share for the year.

WEST RAND CONSOLIDATED MINES, LTD.

WORKING RESULTS

	Gold Section	Uranium Section	Total
Ore Milled (tons)	393,000	620,000	1,013,000
Uranium Output (lbs.)	—	314,581	314,581
Uranium Yield (ounces per ton)	—	22.17	22.17
Uranium Yield (lbs. per ton)	—	1.386	1.386
Uranium Oxide sold (lbs.)	—	309,785	309,785
Gold produced (ounces fine)	56,513	6,674	63,187
Gold produced—recovery per ton (dwt.)	2.876	0.588	2.038
WORKING REVENUE AND EXPENDITURE			
Net Profit from Uranium, being Gross Revenue less recovery costs (subject to adjustment)	—	1,003,000	1,003,000
Revenue from Gold	705,391	83,304	788,695
TOTAL WORKING REVENUE	705,391	1,086,304	1,791,695
Working Costs (excluding items deducted from Uranium Revenue)	701,180	447,879	1,149,059
WORKING PROFIT	4,211	638,425	642,636
Sundry Revenue	31,891	390	32,281
TOTAL PROFIT AT MINE	36,102	638,815	674,917
Additional Revenue			15,600
TOTAL PROFIT (Subject to Taxation)			£690,517

	s. d.	s. d.	s. d.
Working Revenue per ton milled	35 11	95 9	57 10
Working Costs per ton milled	35 8	39 6	37 1
Working Profit per ton milled	3	56 3	20 9
Provision for Taxation			£275,000

CAPITAL EXPENDITURE			
(a) Normal (excluding Uranium Plant)			£39,520
(b) Uranium Plant			9,444
TOTAL			£48,964

Twentieth quarterly instalment towards repayment of Uranium Loan Funds (made up of Capital £60,613 and Interest £13,859) £74,472. (Balance of Loan Outstanding at 31st December, 1958, £1,345,873.)

DEVELOPMENT—The total footage advanced during the quarter was 24,377 feet, of which 12,322 feet were accomplished on the Main, Livingstone and Kimberley Reefs Series and 12,055 feet on the Bird Reef Series, giving the following results:—

	Reef	Footage Payable	Percentage Payable	Reef	Channel	Av. value	In. dwt.
Main Reef	1,620	74.7	49.2	8.3	408		
South Reef	660	57.9	24.6	11.5	282		
Livingstone Reef	555	65.3	52.5	6.6	348		
Kimberley Reef							
TOTALS	2,835	68.1	44.1	8.3	367		

	Reef	Footage Payable	*Per-centage Payable	Channel	GOLD Value dwt.	INCH/ dwt.	URANIUM Value oz.	INCH/ lb.
White Reef	70	87.5	26.7	6.0	160	17.9	1.119	478
Monarch Reef	1,675	84.4	11.1	4.8	54	91.5	5.719	1,018
Upper Monarch Reef —Zone 2	2,470	82.3	26.8	1.0	26	37.4	2.338	1,001
Upper Monarch Reef —Zone 4	725	83.3	34.8	1.6	54	35.6	2.225	1,241
Other Reefs	40	15.7	16.0	1.0	16	29.9	1.869	479
TOTALS	4,980	80.5	22.6	1.8	41	45.6	2.850	1,030

* The percentage payable is determined on a combined Uranium/Gold content. The above values represent actual results of sampling, no allowance having been made for any reductions which, subsequently, were considered necessary when compiling the Ore Reserve.

ORE RESERVES—The fully developed ore reserves re-estimated as at 31st December, 1958, are as follows:—

	Reef	Tons	Stoping Width Inches	Value dwt.
Available Main Reef	1,875,000	56	4.0	
South Reef	915,000	37	2.9	
Livingstone Reef	1,022,000	56	2.5	
Kimberley Reef	490,000	48	2.6	
Total available	4,302,000	50	3.2	
Not available	676,000	45	4.5	
GRAND TOTAL	4,978,000	49	3.4	

	Reef	Tons	Stoping Width Inches	Value dwt.	Uranium (lb.)
Available White Reef	222,000	35	2.5	9.0	(0.563)
Monarch Reef	1,531,000	32	1.0	23.9	(1.494)
Upper Monarch Reefs—Zone 2	1,403,000	36	0.3	19.7	(1.231)
Upper Monarch Reefs—Zone 4	361,000	41	0.5	22.0	(1.375)
TOTAL	3,517,000	34	0.8	21.1	(1.319)

DIVIDENDS—The following final dividends were declared for the year 1958, payable to all shareholders registered on 31st December, 1958:—

Dividend No. 55 of 22½ per cent. (equal to 2s. 3d. per share) on the Ordinary Shares.

Dividend No. 46 of £6 7s. 6d. per share on the Deferred Shares.

URANIUM SALES QUOTA—Advice has been received from the Atomic Energy Board that the uranium sales quota allocated to this Company for the year ending 31st December, 1959, is 1,245,860 lbs.

In the absence of more positive data from the Chamber of Mines, it is difficult to assess the extent to which the industry is at present handicapped by inadequate labour supplies. It will not have escaped notice that, in his recent addresses to shareholders of the various Anglo American mines in the O.F.S., Mr. Spiro contented himself with referring to the good use they had been able to make of the better native supply position in recent months—better in that the seasonal decline was less than usual. He did not, however, refer to the overall shortage of European miners, as he did a year ago.

Such statements apart, the real yardstick of rising labour availability—at least on the new mines which have already established a steady milling rate—is the speed with which new tonnage is being developed ahead of actual mining. This is the factor which will determine how quickly more stope faces can be opened up to sustain a higher mill throughput. Equally, it is in the failure to accelerate the rate of development work that any labour shortage is most likely initially to show up.

Tax and the New Mines

While on the subject of Mr. Spiro's recent addresses to shareholders, some attention has been focused on his remarks regarding the probability that President Brand's dividend payments would remain unaffected by the onset of tax liability. In this connection, it is significant that he also referred to the additional capital expenditure on mill extensions which would to some extent

defer the full impact of tax liability.

The fact is that although none of the groups have ever officially said anything to this effect, there is a strong presumption that most of the mines, which have been floated under the capital amortization provisions which have obtained since 1946, have, in fact, programmed their capital expenditure to ensure that the tailing off of this would merge into the onset of tax liability in such a way that, after the commencement of dividend payments, provisions for taxation and capital amortization together constitute a fairly steady although necessarily expanding total. In this way the sudden dipping of dividends, which, for example, accompanied the onset of tax liability in the case of Western Reefs, is unlikely to recur with the newer mines.

The Present Value of Future Earnings

An interesting point about the early dealings in the new developers, notably Western Deep, is the high premium at which these have commenced. This is reminiscent of the unrealistically high prices to which the original O.F.S. mines were dealt up to in their early days, and it suggests that there is a constitutional market inclination to overestimate the present value of dividend earnings, which must still be many years ahead. If Western Deep is, in fact, going to be dealt in at a premium of about £1 over the next few weeks, it would indeed be surprising if an opportunity did not arise later on for these shares to be picked up more cheaply quite irrespective of the eventual potentiality of the mine.

HIGHLIGHTS FROM THE DECEMBER QUARTERLIES

The first of the quarterly reports to make its appearance this month was that of Anglo American. Although on the whole production figures for the younger mines of the group were eminently satisfactory, only a few were able to announce development results better than in the previous quarter in terms either of payability or of values.

Anglo American Quarterlies

Notable among the mines of the group that did report development disclosures up to the standard achieved in the September three months was President Steyn. Sampling on the Basal Reef at this property produced payability of 92.5 per cent. This represents an increase from 86.9 per cent in the September quarter and, coupled with the value of 483 in. dwt., points the way to still further increases in mill grade. Profits at this mine, however, were sharply down, from £606,402 in the September quarter to £535,194 for the three months ended December. The two factors at work here were a reduction in the tonnage put through the mill from 296,000 to 271,500 and a quite sharp increase in costs from 54s. 9d. to 58s. 4d.

At Western Holdings, payability continued on the expected high level, reaching 90.2 per cent this quarter. The values disclosed in this development, however, were, at 951 in. dwt., something of a disappointment compared with the preceding quarter's 1,338. At Free State (Continued on page 19)

JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED GROUP

MINING COMPANIES' REPORTS FOR THE QUARTER ENDED 31st DECEMBER, 1958 WITH COMPARATIVE FIGURES FOR THE PREVIOUS QUARTER.

(All Companies mentioned are incorporated in the Union of South Africa)

GENERAL REMARKS—In determining the payable footage, gold has been taken at 248s. 3d. per ounce fine. The development values are the actual results of the sampling of development work on reef; no allowance has been made for modifications which may be necessary when computing ore reserves.

GOVERNMENT GOLD MINING AREAS (Modderfontein) CONSOLIDATED, LIMITED.

ISSUED CAPITAL	£1,120,000	
(Divided into 5,600,000 shares of 4s. 0d. each, fully paid)		
	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Tons milled	185,000	188,000
Gold recovered from current milling—ounces fine	30,503	31,265
Recovery per ton—dwts.	3.298	3.326
Gold recovered from old residues—ounces fine	3,455	3,411
RESULTS OF OPERATIONS		
Revenue from Gold, Silver and Osmiridium	£423,861	£433,112
Rents and Sundry Revenue	13,290	7,287
Revenue from Sales of Salvaged Equipment	6,409	6,257
	£443,560	£446,656
NOTE: The revenue from gold includes revenue from sales of gold derived from the treatment of old residues.		
Less: Working Costs	451,335	445,831
Loss from Gold Mining, Salvage, Treatment of old residues and Sundry Revenue	£7,775	£825
Revenue from Pyrite, representing the value of the output less plant operating costs and provision for interest on and repayment of the loans raised for the project	75,178	75,107
OPERATING PROFIT FOR QUARTER	£67,403	£75,932
Less: Estimated Government Share of Profits and Taxation	11,300	15,500
PROFIT AFTER TAXATION	£56,103	£60,432
PYRITE LOANS		
Quarterly instalment paid in respect of interest on and redemption of loans raised by this Company	£10,350	£10,350
Balance of Pyrite Loans at end of Quarter	£212,065	£220,244
DEVELOPMENT		
Total Development—feet	346	522
Sampled—feet	365	285
Payable—feet	85	60
Percentage payable	23	21
Value—dwts.	6.8	16.0
Width—inches	32	15
Inch-dwts.	218	240
ORE RESERVES		
Tons	At 31st Dec., 1958	At 31st Dec., 1957
Value—dwts.	505,000	662,000
Width—inches	5.8	5.7
	69	67

FREDDIES CONSOLIDATED MINES, LIMITED.

ISSUED CAPITAL	£16,359,913	
(Divided into 16,359,913 shares of £1 each, fully paid)		
	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold:		
Tons milled	168,000	170,000
Gold—ounces fine	42,728	44,344
Yield per ton—dwts.	5.09	5.22
Cost per ton milled	78s. 9d.	83s. 8d.
Uranium O.F.S. Joint Production Scheme		
Tonnage apportioned to this Company	171,902	175,175
Production apportioned—lbs.	55,793	54,055
Yield per ton on lbs. apportioned	.325	.309
Sales of Uranium Oxide—lbs.	55,793	54,055
RESULTS OF OPERATIONS		
Revenue from Gold and Sundry Revenue	£545,386	£566,067
Less: Working Costs	661,262	711,142
LOSS ON GOLD MINING	£115,876	£145,075
Uranium—Estimated Net Revenue from Uranium sold subject to future adjustments and representing the revenue less the share of joint pumping, treatment and amortization charges apportioned to this Company from the O.F.S. Joint Production Scheme for the quarter	94,000	88,000
OPERATING LOSS FOR QUARTER	£21,876	£57,075
INTEREST PAYABLE		
Interest on amounts advanced to the Company by the National Finance Corporation of South Africa and certain Building Societies. (Not taken into account when arriving at the loss for the quarter.)	£14,431	£15,488

FREDDIES CONSOLIDATED MINES, LIMITED Continued

CAPITAL EXPENDITURE		
On Mining Installations	£3,008	£12,394
DEVELOPMENT		
Total Development—feet	8,727	13,426
Sampled—feet	1,310	1,855
Payable—feet	935*	960*
Percentage payable	71	52
Value—dwts.	67.5	77.3
Value—lbs. uranium	5.0	5.2
Width—inches	6.5	6.0
Inch-dwts.	439	464
Inch-lbs.—uranium	32.5	31.2
In addition, 67 feet of development was carried out on the "B" Reef horizon, all of which was on reef. Of this, 65 feet were sampled and found to be unpayable.		
* Payability is based on the combined Gold and Uranium content		
ORE RESERVES		
Tons	At 31st Dec., 1958	At 31st Dec., 1957
Value—gold—dwts.	1,088,000*	1,292,000*
Value—uranium—lbs.	5.5	5.6
Width—ins.	40	40
Inch-dwts.	220	224
Inch-lbs.	13.6	13.6
* Payability is based on the combined gold and uranium content.		

GENERAL REMARKS

Uranium Oxide Sales Quota :
The Atomic Energy Board has allocated to the O.F.S. Joint Production Scheme in which this Company is an active participant a sales quota of 1,162,420 lbs. of uranium oxide for the year ending 31st December, 1959.

THE EAST CHAMP D'OR GOLD MINING COMPANY, LIMITED.

ISSUED CAPITAL	£259,875	
(Divided into 2,079,000 shares of 2s. 6d. each, fully paid)		
	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Tons milled	38,500	40,000
Gold—ounces fine	1,340	1,060
Yield per ton—dwts.	.696	.530
Uranium Oxide produced—lbs.	26,976	27,478
Yield per ton—lb.	.701	.687
Uranium Oxide sold—lbs.	26,976	27,478
Cost per ton milled	51s. 5d.	50s. 2d.
RESULTS OF OPERATIONS		
Revenue from Gold and Sundry Revenue	£18,541	£14,237
Estimated Net Revenue from Uranium sold, subject to future adjustments, and representing the estimated value of sales less plant operating costs and provision for interest on and repayment of loans raised for the project	99,100	104,200
Less: Working Costs	£117,641	£118,437
	98,910	100,296
OPERATING PROFIT FOR QUARTER	£18,731	£18,141
Less: Estimated Taxation	6,300	5,950
PROFIT AFTER TAXATION	£12,431	£12,191
URANIUM LOANS		
Quarterly instalment paid in respect of interest on and redemption of loans raised by this Company	£3,905	£3,905
Balance of Uranium Loans at end of quarter	£83,107	£86,163
DEVELOPMENT		
Bird Reef Series		
Development—feet	2,903	4,707
Sampled—feet	2,065	3,250
Payable—feet	650*	1,015*
Percentage payable	31	31
Value—gold—dwts.	2.3	3.0
Value—uranium—lbs.	2.6	3.5
Width—inches	16	15
Inch-dwts.—gold	37	45
Inch-lbs.—uranium	42	53
* Payability is based on the combined Gold and Uranium content.		
ORE RESERVES		
Bird Reef Series		
Tons	At 31st Dec., 1958	At 31st Dec., 1957
Value—gold—dwts.	184,000*	167,000*
Value—uranium—lbs.	1.1	1.1
Width—ins.	31	31
Inch-dwts.—gold	25	31
Inch-lbs.—uranium	34	34
* Payability is based on the combined Gold and Uranium content.		
GENERAL REMARKS		
Uranium Oxide Sales Quota : The Atomic Energy Board has allocated to the Joint Production Scheme in which this Company and The Randfontein Estates Gold Mining Company, Witwatersrand, Limited, participate a sales quota of 1,955,220 lbs. of uranium oxide for the year ending 31st December, 1959.		

THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED.

ISSUED CAPITAL £4,063,553
(Divided into 4,063,553 shares of £1 each, fully paid)

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
OPERATIONS		
Gold Division		
Tons milled	58,000	80,000
Gold—ounces fine	11,388	11,940
Yield per ton—dwts.	3.927	2.985
Cost per ton milled	44s. 6d.	34s. 9d.
Revenue from Gold and Sundry Revenue	£144,308	£154,391
Less: Working Costs	129,049	139,064
PROFIT	£15,259	£15,327
Uranium Division		
Tons milled	446,000	508,000
Gold—ounces fine	28,407	30,587
Yield per ton—dwts.	1.274	1.204
Uranium Oxide produced—lbs.	456,893	484,663
Yield per ton—lb.	1.024	.954
Uranium Oxide sold—lbs.	441,253	484,663
Cost per ton milled	86s. 9d.	77s. 0d.
Revenue from Gold and Sundry Revenue	£387,330	£410,371
Estimated Net Revenue from Uranium and Acid sold, subject to future adjustments and representing the estimated value of sales less relative plant operating costs and after providing in full for interest on and repayment of loans raised for the project	£1,830,000	£1,877,000
	£2,217,330	£2,287,371
Less: Working Costs attributable to Uranium Oxide sold	1,886,440	1,956,624
PROFIT	£330,930	£330,747
RESULTS OF OPERATIONS		
Combined Profit for quarter	£346,189	£346,074
Less: Estimated Taxation	127,000	129,000
PROFIT AFTER TAXATION	£219,189	£217,074
CAPITAL EXPENDITURE ON GOLD DIVISION	£65	£5,480
CAPITAL EXPENDITURE ON URANIUM DIVISION	£4,160	£22,585

URANIUM LOANS

Quarterly instalment paid in respect of interest on and redemption of loans raised by this Company

Balance of Uranium Loans at end of quarter

£215,086 £215,086

£4,441,628 £4,611,277

DEVELOPMENT

Total Development—feet

39,645 36,564

Gold Division

Development—feet

— 20

Uranium Division—Bird Reef Series

Development—feet

39,645 36,544

Sampled—feet

8,620 6,040

Payable—feet

3,055* 2,085*

Percentage payable

35 35

Value—gold—dwts.

4.7 3.9

Value—uranium—lbs.

3.1 3.1

Width—inches

20 19

Inch-dwts.—gold

94 74

Inch-lbs.—uranium

62 59

* In the case of the Uranium Division payable is based on the combined Gold and Uranium content.

ORE RESERVES

Gold Division

Tons

424,000 537,000

Value—dwts.

4.7 4.5

Width—inches

51 51

Inch-dwts.

240 230

Uranium Division

Tons

1,677,000* 1,550,000*

Value—uranium—lbs.

1.2 1.2

Value—gold—dwts.

1.5 1.8

Width—inches

33 33

Inch-lbs.

40 40

Inch-dwts.

50 59

* In the case of the Uranium Division payable is based on the combined Gold and Uranium content.

GENERAL REMARKS

Uranium Oxide Sales Quota

The Atomic Energy Board has allocated to the Joint Production Scheme in which this Company and The East Champ d'Or Gold Mining Company Limited participate a sales quota of 1,955,220 lbs. of uranium oxide for the year ending 31st December, 1959.

Geduld, both payability and values were down. The drop in values was wholly attributable to the No. 2 shaft area, where a much smaller footage sampled gave 1.639 in. dwt. against 2.023 in. dwt. Payability at this shaft, however, scored a possible. In the No. 1 shaft area values rose slightly to 1.041 in. dwt., but the payability was fractionally off.

Vaal Reef's Reserves

Chief interest in the Vaal Reefs quarterly report centred upon the publication of the recalculated ore reserves. These revealed a further good increase in tonnage blocked out, but the value of 9.42 dwt. was 0.6 dwt. lower than in the previous year—not a healthy sign in a mine so young. The ore reserve position at Western Reefs, Vaal Reefs' neighbour in the Klerksdorp area, was exactly opposite. The payable tonnage declined by a matter of 240,000 tons, but the value showed an increase of 0.4 dwt. The Vaal Reef proportion of this tonnage, however, was both larger and more valuable.

Among the older mines of the group, disappointment was caused by the announcement from "Sallies" that exploration in the Withok area had not proved so satisfactory as had been hoped. It is not yet known, however, exactly how much of the Withok area will be payable for "Sallies", nor how the mine will finance further operations.

Progress at Western Deepes continued extremely rapidly and advances in the four shafts at present being sunk ranged from 484 ft. in the No. 2 ventilation shaft to 1,240 ft. in the No. 3 main shaft.

Lower Values at West Drie

Among the companies of the Gold Fields group, West Driefontein went

some way towards atoning for last quarter's drop from 100 per cent payability by returning 98.1 per cent for the December quarter. The value, however, at 641 in. dwt. was again lower than in the preceding quarter, giving a further indication that although mill grade is still increasing at the moment, a decline is inevitable in the future as bigger tonnages are drawn from the less enriched areas. For the time being, however, profits continue to advance, and at £2,030,864, earnings for the last quarter of the year were £16,000.

Four of the older mines of this group are now returning capital, one of these for the first time in the December quarter. This is Sub Nigel, and the amount in question is 1s. 6d. per share. Another of these companies, Robinson Deep, suffered from pressure bursts, not for the first time, and the result of operations for the quarter was a loss of £21,439. Free State Saaiplaas, the only developing mine of the group, was able to announce that shaft-sinking in the No. 1 shaft was now complete, it having reached a final depth of 5,853 ft. The No. 2 shaft is also approaching completion and by the end of the quarter had reached 6,266 ft.

New Records by Buffels

Holders of shares in Buffelsfontein, of the General Mining group, have good cause for continued satisfaction with their investment. Another dividend of 1s. 6d., on December 9, was followed up in the quarterly report by news that payability on the Vaal Reef during the three months to December 31 reached 98.3 per cent, with average gold values of 681 in. dwt. (a record) and uranium values of over 1 lb. per ton. This company also announced that preparatory work has

now commenced on the site for the new sub-vertical shaft which is being sunk from 13 level to 23 level. Important news from Stilfontein concerned the ore reserves, which now stand at more than 4,500,000 tons of an average value of 10.07 dwt. per ton. Development values here were also the best ever at 602 in. dwt. Oddly, payability was at a record low level of 68 per cent.

Winkelhaak's First Mill Return

The highspot of the Union Corporation reports was, of course, the first milling return from Winkelhaak. In the event, this was somewhat disappointing, bearing in mind the fact that trial milling had been in progress for some five months. The grade of 4.49 dwt. was lower than had been anticipated, while costs at 51s. 8d. per ton must be considered extremely high for such a shallow and, it must be assumed, trouble-free mine. Results for one month are, however, no basis for a reassessment of Winkelhaak's prospects, and certainly the development disclosures at the property continue to improve most satisfactorily.

Elsewhere, the first news of any importance for two years from Merriespruit was given in the Anglo-Transvaal quarterly. The twin haulages from Virginia, which are being driven as part of the first stage of the dewatering programme, had reached well into the Merries lease area by the end of December, and boreholes were put up to the Basal reef. Of these, fourteen disclosed payable values, averaging 375 in. dwt. and 19 in. lb. The newcomer to the group, Loraine, was still developing within the original lease area during the quarter, and the results have little significance for the eventual prospects of Loraine-Riebeeck.

THE CENTRAL MINING—RAND MINES GROUP

South African Mining Companies' Directors' Reports for Quarter ended 31st December, 1958

Office of the London Secretaries : 4 London Wall Buildings, E.C.2

The development values quoted hereunder represent actual results of sampling, no allowance having been made for any adjustments which were or may be necessary when estimating ore reserves at the ends of the respective financial years

CROWN MINES, LIMITED

Ore Milled 682,000 tons. Yield 105,644 oz. fine. Yield per ton 3.098 dwt.

	Per Ton Milled
Working Revenue	£1,322,452 .. 38 9
Working Expenditure	1,285,560 .. 37 8

WORKING PROFIT £36,892 .. 1 1

Adjusting for sundry revenue £15,200 and Outstanding Liabilities Trust Fund (Cr.) £6,900, the Total Profit was £58,992.

Taxation £4,900.

Dividend No. 115 of 1s. 9d. per share declared on 11th December, 1958, £165,000.

Capital Expenditure on equipment, etc. (net) £100. Property (Dr.) £300. DEVELOPMENT totalled 8,110 feet.

PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Channel Value, Dwt.	Channel Width, Inches
Kimberley Reef	390	—	—	—	—
South Reef	800	330	41.3	10.0	27
Main Reef Leader	725	455	62.8	19.0	28
Main Reef	2,430	565	23.3	7.0	37
Totals and Averages	4,345	1,350	31.1	11.1	32

The **ORE RESERVE** at 31st December, 1958, has been re-estimated as follows :—

	Tons	Value, Dwt.	Width, Inches
Available	3,612,000	5.0	44.0
Not Available	2,875,000	5.0	45.8
Total	6,487,000	5.0	44.8

EAST RAND PROPRIETARY MINES, LIMITED

Ore Milled 660,000 tons. Yield 166,566 oz. fine. Yield per ton 5.047 dwt.

	Per Ton Milled
Working Revenue	£2,084,751 .. 63 2
Working Expenditure	1,705,697 .. 51 8

WORKING PROFIT £379,054 .. 11 6

Adjusting for sundry revenue £8,000 and Outstanding Liabilities Trust Fund (Cr.) £4,400, the Total Profit was £391,454.

Taxation £2,400.

Dividend No. 78 of 2s. per share declared on 11th December, 1958, £396,000.

Capital Expenditure on shaft sinking and equipment, etc. (Net) £611,000. Property (Dr.) £1,400.

DEVELOPMENT totalled 11,697 feet.

PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Channel Value, Dwt.	Channel Width, Inches
South Reef	280	—	—	—	—
Main Reef Leader	90	20	22.2	18.9	29
Composite Reef	290	240	82.8	12.1	33
Main Reef	600	110	18.3	12.7	45
Totals and Averages	1,260	370	29.4	12.8	36

The Far East Sub-Vertical Shaft was sunk 193 feet to a total depth of 532 feet below the collar.

The **ORE RESERVE** at 31st December, 1958, has been re-estimated as follows :—

	Tons	Value, Dwt.	Width, Inches
Available	3,964,000	6.7	44.5
Not Available	1,518,000	5.3	54.1
Total	5,482,000	6.3	46.8

HARMONY GOLD MINING COMPANY, LIMITED

Ore Milled 307,000 tons. Slimes treated for Uranium Oxide 306,247 tons

GOLD YIELD

Ozs. Fine Dwt. per ton
125,059 8.147

URANIUM OXIDE YIELD

Lbs. Lb. per ton
158,440 0.517

Slimes treated for Pyrites 301,838 tons.

Pyrites Concentrate Recovered 8,649 tons.

	Per Ton Milled
Working Revenue—Gold	£1,565,519 .. 102 0
Working Expenditure—Gold	1,070,117 .. 69 9
WORKING PROFIT—Gold	£495,402 .. 32 3

Adjusting for profit from uranium and pyrites, £446,658, and sundry revenue, £5,900, less interest on Uranium and Pyrites Loans, £27,400, and interest on Central Mining Finance Limited Loan, £32,800, the Net Profit was £887,760.

URANIUM AND PYRITES LOAN ACCOUNTS—Quarterly instalment—Capital Repayment Dr. £90,400.

CAPITAL EXPENDITURE—Capital Expenditure, net (gold, uranium, acid and pyrites), amounted to £457,900 during the quarter ended 31st December, 1958.

TAXATION AND LEASE CONSIDERATION—No Union of South Africa taxation or lease consideration is as yet payable by the Company.

EXPANSION OF OPERATIONS—Gold Reduction Plant—Work is in progress on extensions to the plant to 200,000 ton capacity.

URANIUM PLANT—Except for minor additions the 120,000 ton plant is complete and in operation.

PYRITES FLOTATION PLANT—Work on expansion to 120,000 ton capacity is making satisfactory progress.

SULPHURIC ACID PLANT—Erection of the plant has commenced.

NO. 2 SHAFT—Some 2,000 tons of reef and waste are currently being hoisted daily. Permanent facilities, including two 1,000 ton bins and the belt conveyor system for the transfer level for reef handling, are nearing completion. The ore pass system is being extended above the 17th level to the 11th and 6th level stations.

Spillage arrangements at the shaft bottom were completed.

During the quarter, 3,025 feet and 2,093 feet of off-reef development were advanced on the 21st and 25th levels respectively.

UNDERGROUND WATER—The average quantity of water pumped per 24 hours for the month of December, 1958, was 4,084,000 gallons and for the quarter 4,023,000 gallons. Good progress continues on the provision of conical settlers and clear water sumps for the main pump station at No. 2 Shaft.

URANIUM PRODUCTION—The Company has been allotted a quota of 492,780 lb. for the year ending 31st December, 1959, in respect of the uranium oxide to be sold by the industry for delivery to the Combined Development Agency. This quota is at the same rate as that of the previous six months.

DEVELOPMENT—No. 2 Shaft Area 10,221 feet. Remainder of Mine 5,821 feet. Total 16,042 feet.

PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Gold, Channel Value, Dwt. per ton	Uranium Oxide, Channel Value, lb./ton
Basal—No. 2 Shaft	595	595	100.0	35.0	21
Basal—Remainder of Mine	895	725	81.0	17.6	23
Totals and Averages	1,490	1,320	88.6	25.1	22

CITY DEEP, LIMITED

Ore Milled 339,000 tons. Yield 70,195 oz. fine. Yield per ton 4.141 dwt.

			Per Ton Milled
Working Revenue	£878,362	s. d.	51 10
Working Expenditure	846,884	..	50 0
WORKING PROFIT	£31,478	..	1 10

Adjusting for Sundry Revenue £9,000 and Outstanding Liabilities Trust Fund (Cr.) £3,500, the Total Profit was £43,978.

Taxation £2,200.

Capital Expenditure £9,300.

Dividend No. 75 of 7½d. per share, declared on 11th December, 1958, £63,300. DEVELOPMENT totalled 9,616 feet.

PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Channel Value Dwt.	Channel Width Inches
Main Reef	550	110	20.0	7.0	29
Main Reef Leader	2,460	1,580	64.2	14.5	26
South Reef	2,150	370	17.2	8.6	33
Totals and Averages	5,160	2,060	39.9	12.5	28

The ORE RESERVE at 31st December, 1958, has been re-estimated as follows:—

	Tons	Value, Dwt.	Width, Inches
Available	2,741,000	6.0	40.8
Not Available	623,000	6.2	44.1
Total	3,364,000	6.0	41.4

CONSOLIDATED MAIN REEF MINES AND ESTATE, LIMITED

Ore Milled 384,000 tons. Yield 60,038 oz. fine. Yield per ton 3.127 dwt.

			Per Ton Milled
Working Revenue	£751,412	s. d.	39 2
Working Expenditure	703,584	..	36 8
WORKING PROFIT	£47,828	..	2 6

Adjusting for sundry revenue £7,300 and Outstanding Liabilities Trust Fund (Cr.) £3,000, the Total Profit was £58,128.

Taxation £2,500.

Dividend No. 98 of 1s. 6d. per share, declared on 11th December, 1958, £93,600.

DEVELOPMENT totalled 5,852 feet.

PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Channel Value, Dwt.	Channel Width, Inches
Kimberley Reef	270	120	44.4	3.4	52
Bird Reef	640	70	10.9	4.2	43
South Reef	1,320	390	29.5	14.4	20
Main Reef Leader	1,340	420	31.3	65.4	6
Main Reef	700	—	—	—	—
Totals and Averages	4,270	1,000	23.4	16.4	19

DURBAN ROODEPOORT DEEP, LIMITED

Ore Milled 564,000 tons. Yield 102,444 oz. fine. Yield per ton 3,633 dwt.

			Per Ton Milled
Working Revenue	£1,282,374	s. d.	45 6
Working Expenditure	1,123,289	..	39 10
WORKING PROFIT	£159,085	..	5 8

Adjusting for sundry revenue £11,100 and Outstanding Liabilities Trust Fund (Cr.) £2,400, the Total Profit was £172,585.

Taxation £28,600.

Dividend No. 76 of 1s. 6d. per share, declared on 11th December, 1958, £174,400.

Capital Expenditure on shaft sinking and equipment, etc. (net) £45,500.

DEVELOPMENT totalled 20,762 feet.

BLYVOORUITZICHT GOLD MINING COMPANY, LIMITED

Ore Milled 315,000 tons. Slimes treated for Uranium Oxide 493,049 tons.

GOLD YIELD	URANIUM OXIDE YIELD
Ozs. Fine Dwt. per ton	Lbs. Lb. per ton
209,992 13.333	163,371 0.331
Uranium Oxide Sold 154,378 lb.	

		Per Ton Milled
Working Revenue—Gold	£2,628,736	166 11
Working Expenditure—Gold	1,097,948	69 9

WORKING PROFIT—GOLD £1,530,788 97 2

Adjusting for profit from Uranium Oxide sold £391,589, profit from Sulphuric Acid £39,837. Outstanding Liabilities Trust Fund (Cr.) £400 and sundry revenue (net) £35,100, less interest on Uranium and Sulphuric Acid Plant Loan £29,300, the Total Profit was £1,968,414.

Taxation and Lease Consideration was £1,073,000.

Capital Account—Expenditure, net (£37,400) less transfer to Capital Stores (£40,400)—Cr. £3,000.

Dividend No. 26 of 1s. per share, declared on 11th December, 1958, £1,200,000.

URANIUM AND SULPHURIC ACID PLANTS LOAN ACCOUNTS—Quarterly instalment—Capital Repayment Dr. £128,000.**URANIUM PRODUCTION—**The Company has been allotted a quota of 653,720 lbs. for the year ending 31st December, 1959, in respect of the uranium oxide to be sold by the Industry for delivery to the Combined Development Agency. This quota is at the same rate as that of the previous six months.

DEVELOPMENT totalled 13,871 feet.

PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Gold Channel Value, dwt./ton	Uranium Oxide, Channel Value, Lb./ton
Carbon Leader	3,785	3,335	88.1	119.6	3.834

MODDERFONTEIN EAST, LIMITED

Ore Milled 388,000 tons. Yield 39,288 oz. fine. Yield per ton 2.025 dwt.

			Per Ton Milled
Working Revenue	£492,152	s. d.	25 4
Working Expenditure	485,397	..	25 0
WORKING PROFIT	£6,755	..	0 4

Adjusting for sundry revenue, £2,600 and Outstanding Liabilities Trust Fund (Cr.) £1,100, the Total Profit was £10,455.

Taxation and Mineral Lease Consideration £1,500.

Dividend No. 63 of 6d. per share declared on 11th December, 1958, £23,300.

DEVELOPMENT totalled 1,226 feet.

PAYABLE DISCLOSURES

Reef	Footage Sampled	Feet	%	Channel Value, Dwt.	Channel Width, Inches
Main Reef Leader	1,020	325	31.9	4.8	27

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ANGLO-TRANSVAAL CONSOLIDATED INVESTMENT CO. LIMITED

(Incorporated in the Union of South Africa)

Operating Statistics and Vital Information extracted from the Directors' Reports for Mining Companies associated with the Group for the quarter ended 31st December, 1958, and comparative figures for previous quarter.

(All Companies mentioned are Incorporated in the Union of South Africa)

HARTEBEESTFONTEIN GOLD MINING COMPANY, LIMITED.

PRODUCTION		Quarter ended 31st December, 1958		Quarter ended 30th September, 1958	
Gold :	Tons milled	261,000		261,000	
	Yield—ounces fine	143,550		142,680	
	—dwt. per ton milled	11.000		10.933	
Uranium:	Tons treated				
	From current slimes	261,000		261,000	
	From surface accumulations	66,000		63,000	
	Total	327,000		324,000	
	Yield—lb. of uranium oxide	252,881		269,253	
	—lb. per ton treated	0.773		0.831	
	Uranium oxide sold—lb.	253,711			
FINANCIAL INFORMATION					
			Per ton milled		Per ton milled
Revenue from gold	£1,796,783	137s. 8d.	£1,786,516	136s. 11d.	
Working costs	£841,725	64s. 6d.	£854,775	65s. 6d.	
Working profit	£955,058	73s. 2d.	£931,741	71s. 5d.	
Sundry mining revenue	£22,000	1s. 8d.	£12,500	11d.	
Total working profit from gold production	£977,058	74s. 10d.	£944,241	72s. 4d.	
Estimated profit from uranium production	£748,000		£801,606		
Total Working Profit for Quarter ..	£1,725,058		£1,745,847		
Working costs (gold only) per ounce fine		117s. 3d.		119s. 10d.	
Development expenditure per ton milled included in working costs		12s. 3d.		13s. 11d.	
NOTE: Uranium output and profit are subject to adjustment.					
The following amounts have not been taken into consideration in calculating the working profit shown above:—					
(a) Loans obtained for gold production—Interest	£21,555			£21,573	
(b) Loans obtained for uranium production—Interest	£24,030			£24,643	
Loan repayment	£62,896			£62,283	
CAPITAL EXPENDITURE					
Gold production (including £92,099 on excess development)	£564,145			£610,193	
Uranium plant	£11,546			£1,690	
Total	£575,691			£611,883	
Taxation and Government's share of profits for the half-year ended 31st December, 1958 ... Nil					
Dividend : A dividend (No. 6) of 35 per cent (3s. 6d. per share) was declared payable to shareholders registered at 31st December, 1958.					

DEVELOPMENT					
Footage advanced		18,380		18,586	
Sampling results of development on Vaal Reef:					
No. 1 Shaft Area:					
Footage sampled		7,320		9,420	
		(96.9%)		(95.1%)	
Channel width (inches)	17.6	17.7	17.3	17.7	
Inch-dwt. (gold)	442	453	460	479	
Inch-lb. (uranium oxide)	34.10	34.66	38.00	39.24	
No. 2A and No. 3 Shaft Area:					
Footage sampled	450	230			
		(51.1%)			
Channel width (inches)	4.0	3.5			
Inch-dwt. (gold)	163	219			
Inch-lb. (uranium oxide)	17.28	19.48			
Total Mine:			9,420	8,955	
Footage sampled	7,770	7,320			
		(94.2%)		(95.1%)	
Channel width (inches)	16.8	17.3	17.3	17.7	
Inch-dwt. (gold)	425	446	460	479	
Inch-lb. (uranium oxide)	33.12	34.19	38.00	39.24	
(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)					
SHAFT SINKING AND EQUIPPING					
No. 2A Sub-vertical Shaft:					
Footage sunk		295 feet		330 feet	
Depth below collar		3,531 feet		3,236 feet	
Concrete lining accomplished		324 feet		330 feet	
Depth of concrete lining below collar		3,530 feet		3,206 feet	
Sinking of the shaft has been completed and all main stations have been established. Holing of the Transfer Level between No. 2A and No. 3 shafts has been effected.					
No. 3 Vertical Shaft:					
Footage sunk		469 feet		1,357 feet	
Depth below collar		5,810 feet		5,341 feet	
Concrete lining accomplished		492 feet		1,357 feet	
Depth of concrete lining below collar		5,803 feet		5,311 feet	
Sinking of the shaft has been completed. Work is in progress on the installation of shaft steelwork.					
The Vaal Reef was intersected at a depth of 5,680 feet below the collar and a full exposure of the reef over the periphery of the shaft was completed at a depth of 5,688 feet. The reef, which dips at 16 degrees to the west, was sampled at 5 feet intervals around the periphery of the shaft and 17 sections sampled gave an average value of 34.97 dwt. of gold per ton and 3.40 lb. of uranium oxide per ton over a channel width of 7.53 inches, equivalent to 263 inch-dwt. and 25.58 inch-lb. respectively.					
GENERAL					
Uranium Oxide Production:					
The Atomic Energy Board has allocated to the Company a sales quota of 1,043,180 lb. of uranium oxide for the year ending 31st December, 1959.					
Mine Buildings and Plant:					
Construction of the 114 million gallon reservoir was completed.					
The new main office block was completed and has been occupied.					
Work on the extensions to the reduction works and on the new assay office is in progress.					

ZANDPAN GOLD MINING CO. LTD.

CAPITAL EXPENDITURE

Capital Expenditure during the quarter amounted to £359,582. The total Capital Expenditure incurred to 31st December, 1958, including preliminary expenses and the acquisition of mineral and surface rights, amounted to £643,986.

SHAFT SINKING AND EQUIPPING

No. 1 Shaft: Excavation of the shaft collar commenced during October, 1958, and was completed at a depth of 198 feet, of which 168 feet have been concrete lined. Excavation of a ventilation duct is in progress.

GENERAL

Mine Buildings and Plant

A temporary shaft office and temporary accommodation for the non-European labour force have been completed.

Work has commenced on foundations for a stage hoist.

Power Supply

A building to house two M.G. sets was constructed and two 50 KW sets have been installed.

Compressed Air Supply

Two portable diesel engine compressors are in use.

Water Supply

One 4 inch column has been installed and connected to the mains of the Regional Water Supply Company.

Roads

A temporary access road to the Hartebeestfontein mine has been constructed. Work has commenced on a permanent tarmac road.

MERRIESPRUIT (ORANGE FREE STATE) GOLD MINING COMPANY, LIMITED.

		Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
FINANCIAL INFORMATION			
Capital Expenditure (including uranium plant)	£4,895 on	£126,312	£83,854
DEVELOPMENT			
Footage advanced		3,345	3,566

The above footage was driven by the Virginia Mine in the Merriespruit property.

The 28th level haulage and its companion advanced to 3,379 feet and 2,805 feet, respectively, inside the Merriespruit property.

Progress was retarded by the intersection of water-bearing fissures requiring cementation.

To obtain structural and stratigraphical information boreholes have been drilled upwards from the 28th level haulage. To date twenty-two of the boreholes have penetrated an over-lying sill and have intersected Basal reef. Of these boreholes 14 have indicated payable reef averaging 375 inch-dwt. of gold and 19 inch-lb. of uranium over a channel width of 44 inches. Development towards the Basal reef horizon is proceeding and it is expected that sampling results of some reef development will be included in the next quarterly report.

GENERAL

During the quarter the water level in No. 2 Shaft fell by 2 feet to 1,218 feet below the collar.

VIRGINIA O.F.S. GOLD MINING CO. LTD.

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
PRODUCTION		
Gold : Tons milled	340,000	325,000
Yield—ounces fine	88,643	84,945
—dwt. per ton milled	5.214	5.227
Uranium : Tons treated	340,000	325,000
Yield—lb. of uranium oxide	158,237	166,775
—lb. per ton treated	0.465	0.513
Uranium oxide sold—lb.	158,617	—
	Per ton milled	Per ton milled
Revenue from gold	£1,110,332	65s. 4d. £1,063,810
Working costs	£1,011,600	59s. 6d. £940,395
Working profit	£98,732	5s. 10d. £123,415
Sundry mining revenue	£21,929	1s. 3d. £15,000
Total working profit from gold production	£120,661	7s. 1d. £138,415
Estimated profit from uranium production	£462,720	£465,654
Estimated profit from acid production	£93,624	£93,043
Total Working Profit for Quarter	£677,005	£697,112
Working costs (gold only) per ounce fine	228s. 3d.	221s. 5d.
Development expenditure per ton milled included in working costs	9s. 0d.	8s. 2d.
NOTE : Uranium output and profit are subject to adjustment		
The following amounts have not been taken into consideration in calculating the working profit shown above :—		
(a) Debiture and Loan Stocks, Housing and other loans—Interest	£65,390	£64,997
(b) Loans obtained for Acid and Uranium production—Interest	£52,518	£54,150
Loan repayment	£167,201	£165,569
CAPITAL EXPENDITURE		
Gold production (including £125,552 on excess development)	£297,279	£258,838
Uranium and Acid Plants	£110,268	£36,841
Total	£407,547	£295,679

Taxation and Government's share of profits for the year ended 31st December, 1958

Nil

DEVELOPMENT

Footage advanced	21,991		20,859	
This includes 3,345 feet of development advanced in the Merriespruit property in terms of the agreement entered into with Merriespruit (Orange Free State) Gold Mining Company, Limited.				
Sampling results of development on Basal and Leader Reefs :				
	Total	Payable	Total	Payable
Footage sampled	8,965	3,250 (36.2%)	9,705	3,155 (32.5%)
Channel width (inches)	26.5	21.9	29.3	28.7
Inch-dwt. (gold)	171	307	163	306
Inch-lb. (uranium oxide)	17.13	31.37	12.96	22.80
(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)				

ORE RESERVE

The Ore Reserve fully developed as at 31st December, 1958, was estimated as follows :—

	Tons	Gold dwt./ton	Uranium Oxide lb./ton	Estimated Stopping Width (inches)
Available	1,869,000	5.56	0.636	50.5
Unavailable—No. 3 Shaft and No. 1 Shaft and Safety Pillars	423,000	5.07	0.515	51.5
Total and Averages	2,292,000	5.46	0.613	50.7

GENERAL

Uranium Oxide Production :

The Atomic Energy Board has allocated to the Company a sales quota of 649,760 lb. of uranium oxide for the year ending 31st December, 1959.

RAND LEASES (VOGELSTRUISFONTEIN) GOLD MINING COMPANY, LIMITED.

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
PRODUCTION		
Tons milled	547,000	535,000
Yield—ounces fine	78,858	78,193
—dwt. per ton milled	2.883	2.923
	Per ton milled	Per ton milled
Revenue from gold	£987,185	36s. 1d. £978,394
Working costs	£953,412	34s. 10d. £955,413
Working profit	£33,773	1s. 3d. £22,981
Sundry mining revenue	£8,000	3d. £6,000
Total Working Profit for Quarter	£41,773	1s. 6d. £28,981
Working costs per ounce fine	241s. 10d.	244s. 4d.
Development expenditure per ton milled included in working costs	2s. 10d.	2s. 6d.
Capital Expenditure	£1,667	£6,856
Estimated Taxation and Government's share of profits for the half-year ended 31st December, 1958		
	£4,250	—

Repayment of Capital

At an Extraordinary General Meeting of members held on 15th January, 1959, it was resolved to reduce the capital of the Company from the sum of £1,800,000, divided into 3,600,000 shares of 10s. 0d. each, fully paid, to £1,665,000 divided into 3,600,000 shares of 9s. 3d. each, fully paid, and to effect such reduction by returning to members paid up capital in excess of the requirements of the Company to the extent of 9d. on each of the aforementioned 3,600,000 shares. The reduction of capital is subject to confirmation by the Supreme Court for which application is being made.

DEVELOPMENT

Footage advanced		12,625		10,506
Sampling results obtained :				
Main Reef				
Footage sampled	Total	Payable	Total	Payable
	2,060	1,145	1,120	260
		(55.6%)		(23%)
Channel width (inches)	38.1	40.8	36.0	33.5
Inch-dwt.	175	226	131	212
Main Reef Leader				
Footage sampled	2,930	1,600	2,185	1,630
		(54.6%)		(74%)
Channel width (inches)	8.1	8.6	10.9	13.0
Inch-dwt.	184	285	236	299
South Reef				
Footage sampled	385	—	985	340
				(34%)
Channel width (inches)	6.8	—	8.6	12.8
Inch-dwt.	82	—	134	219
Total—Main Reef Series				
Footage sampled	5,375	2,745	4,290	2,230
		(51.1%)		(52%)
Channel width (inches)	19.5	22.1	16.9	15.4
Inch-dwt.	173	260	185	277
Bird Reef				
Footage sampled	1,580	810	870	220
		(51.3%)		(25%)
Channel width (inches)	33.6	37.1	38.3	49.4
Inch-dwt.	117	161	102	199
Kimberley Reef				
Footage sampled	1,200	250	220	170
		(20.8%)		(77%)
Channel width (inches)	82.5	76.3	47.5	48.0
Inch-dwt.	180	319	190	218
Total—All Reefs				
Footage sampled	8,155	3,805	5,380	2,620
		(46.7%)		(49%)
Channel width (inches)	31.5	28.8	21.6	20.3
Inch-dwt.	163	243	172	266
(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)				

MIDDLE WITWATERSRAND (WESTERN AREAS) LIMITED.

DIVIDEND—A dividend (No. 12) of 20 per cent (6d. per share) was declared payable to shareholders registered at 31st December, 1958.

The following relates to this Company's subsidiary

NEW KLERKSDORP GOLD ESTATES, LIMITED

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
	Per ton milled	Per ton milled
Results for the Quarter :		
Net loss from gold production	£26,963	17s. 10d. £23,126
Estimated profit from uranium production (subject to adjustment)	32,500	14s. 11d. 34,500
Total Working Profit for Quarter	£5,537	£11,374

The following amounts have not been taken into consideration in calculating the working profit shown above :—

Interest	£ 490	£ 507
Loan Repayment	£1,762	£1,745
Estimated taxation for the year ended 31st December, 1958—£400.		

DIVIDEND—A dividend (No. 8) of 15 per cent (9d. per share) was declared payable to shareholders registered at 31st December, 1958.

GENERAL

Uranium Oxide Production :

The Atomic Energy Board has allocated to the Stilfontein Joint Production Scheme a sales quota of 827,560 lb. of uranium oxide for the year ended 31st December, 1959, of which this Company's proportion is 85,440 lb.

EASTERN TRANSVAAL CONSOLIDATED MINES, LIMITED

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
PRODUCTION		
Tons milled	56,100	55,900
Yield—ounces fine	18,819	19,104
—dwt. per ton milled	6.709	6.835
FINANCIAL INFORMATION		
Revenue from gold	£234,935	£239,046
Working costs	£190,575	£186,409
Working profit	£44,360	£52,637
Sundry mining revenue	£3,573	£4,482
Total Working Profit for Quarter	£47,933	£57,119
Capital Expenditure	£17,205	£19,629
DEVELOPMENT		
Footage advanced	8,444	9,500
SHAFT SINKING AND EQUIPPING		
Agnes Gold Mine : Cesca Sub-vertical Shaft :		
Footage sunk	6 feet	45 feet
Depth below 17 level	1,047 feet	1,041 feet
Sinking operations have been suspended. A pump chamber and pipe and ventilation raises have been excavated at the shaft bottom and are being equipped.		
New Consort Gold Mine: Prince Consort Shaft:		
Footage sunk	24 feet	—
Depth below 33 level	24 feet	—
Work is in progress on excavating a hoist chamber for a 450 h.p. winder and on slipping the existing spillage raise between 30 and 33 levels to shaft dimensions.		

VILLAGE MAIN REEF GOLD MINING COMPANY (1934) LIMITED.

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
PRODUCTION		
Tons milled	81,000	82,500
Yield—ounces fine	14,537	13,871
—dwt. per ton milled	3.589	3.363
FINANCIAL INFORMATION		
Revenue from gold	£181,916	£173,704
Working costs	£178,291	£174,857
Working profit	£3,625	*£1,153
Sundry mining revenue	£880	£650
Total Working Profit for Quarter	£4,505	*£503
DEVELOPMENT		
Footage advanced	1,873	800
Reconditioning footage	7,183	4,457
Working costs per ounce fine	245s. 4d.	*Working Loss 252s. 1d.
Development expenditure per ton milled included in working costs	1s. 4d.	6d.
Estimated Taxation for the half-year ended 31st December, 1958	Nil	Nil
Dividend—As profits for the half-year ended 31st December, 1958, were adversely affected by the fall of ground in a main haulage, it was decided not to declare an interim Dividend for that period.		

LORRAINE GOLD MINES, LIMITED

(Incorporated in the Union of South Africa)

DIRECTORS' REPORT

For the quarter ended 31st December, 1958, and comparative figures for the quarter ended 30th September, 1958

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
PRODUCTION		
Gold		
Tons milled	222,500	221,000
Yield ounces fine	43,388	42,283
Dwt. per ton milled	3.900	3.827
Uranium (Joint Production Scheme)		
Tonnage entitlement of this company	180,000	180,000
Lb. apportioned	48,113	49,202
Yield per ton on lb. apportioned	0.267	0.273
Lb. Sold	39,905	—
FINANCIAL INFORMATION		
Revenue from Gold	£543,526	£529,655
Working Costs	600,750	597,770
Working Loss	£57,224	£68,115
Sundry Mining Revenue	300	—
Net Working Loss from Gold Production	£56,924	£68,115
Estimated Profit from Uranium Production	£101,000	£114,000
Total Working Profit for Quarter	£44,076	£45,885
Working costs (Gold only) per oz. fine	276s. 11d.	282s. 9d.
Development Expenditure per ton milled included in Working Costs	4s. 6d.	10s. 7d.

NOTE : Uranium Output and Profit are subject to adjustment.

The following amount has not been taken into consideration in calculating the working profit shown above :—
6 per cent Registered Unsecured Notes and other Loans—Interest

	£8,626	£8,267
CAPITAL EXPENDITURE		
Gold Production (including £85,137 in respect of underground development charged to Capital)	*£428,541	†£281,455
Uranium oxide production contribution towards Capital Cost of President Steyn Uranium Plant	17,470	18,440
Contribution towards Capital Cost of Welkom Uranium Plant	18,157	19,211
Total	£464,168	£319,106

* Includes £200,618 expended by Riebeeck Gold Mining Co. Ltd. during the period 1st October, 1958, to 19th November, 1958, inclusive.
† Includes £273,860 expended by Riebeeck Gold Mining Co. Ltd. Taxation and Government's share of Profits for the quarter ended 31st December, 1958.

CAPITAL FUNDS

It is estimated that the Capital Funds presently available to the Company including the Loan of £1,000,000 to be obtained from The Anglo American Corporation of South Africa Limited will have been exhausted in about the middle of 1959. Therefore, in accordance with the merger Agreement with Riebeeck Gold Mining Company Limited, a further £3,000,000 is to be raised by way of an issue of shares to be offered to existing Shareholders. The terms of this issue will be announced shortly.

DEVELOPMENT

Footage advanced ***12,382** 11,645

* Included 1,790 feet accomplished by Riebeeck Gold Mining Company Limited during the period 1st October, 1958, to 19th November, 1958, inclusive.

SAMPLING RESULTS OBTAINED

	Total	Payable	Total	Payable
Basal Reef				
Footage sampled	455	35 (7.7%)	1,430	425 (29.7%)
Channel width (inches)	6.1	7.3	4.7	6.3
Inch-Dwt. (Gold)	119	317	134	251
Inch-lb. (Uranium Oxide)	8.33	14.86	10.99	14.11
B Reef				
Footage sampled	470	110 (23.4%)	2,515	705 (28.0%)
Channel width (inches)	31.8	17.3	26.4	22.0
Inch-Dwt. (Gold)	98	312	227	632
Inch-lb. (Uranium Oxide)	6.99	14.17	10.24	—
Elsburg Reefs				
Footage sampled	260	220 (84.6%)	425	180 (42.4%)
Channel width (inches)	16.5	21	41.8	35.8
Inch-Dwt. (Gold)	448	521	283	524
Inch-lb. (Uranium Oxide)	4.91	5.62	18.20	24.4
Elsburg Reefs include Reefs previously referred to as Rainbow Reefs.				
TOTAL ALL REEFS				
Footage sampled	1,185	365 (30.8%)	4,370	1,310 (30.0%)
Channel width (inches)	18.6	16.8	20.8	18.8
Inch-Dwt. (Gold)	183	438	202	493
Inch-lb. (Uranium Oxide)	7.05	9.08	11.26	16.16

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding ore reserve.)

SHAFT SINKING AND EQUIPPING

No. 3 Shaft (Formerly No. 1 Shaft—Riebeeck Gold Mining Company Limited)

	Quarter ended 31st December, 1958	Quarter ended 30th September, 1958
Footage sunk	683 feet	959 feet
Depth below collar	2,878 feet	2,195 feet
Concrete Lining Accomplished	660 feet	960 feet
Depth of Concrete Lining below collar	2,805 feet	2,145 feet

The above figures include 620 feet of Shaft Sinking and 619 feet of Concrete Lining accomplished by Riebeeck Gold Mining Company Limited during the period 1st October, 1958, to 19th November, 1958, inclusive.

Excavation of an intermediate pump station at a depth of 2,790 feet below the collar is in progress.

GENERAL

Pumping

Work has commenced on increasing the pumping capacity at No. 2 Shaft.

BY ORDER OF THE BOARD

ANGLO-TRANSVAAL CONSOLIDATED INVESTMENT COMPANY LIMITED
SECRETARIES

Per J. I. De KOK.

30, 1959

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3,363
Per ton
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